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Society of Paper Money Collectors

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**2ND
CIVIL WAR /
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SPECIAL TOPICAL
ISSUE**

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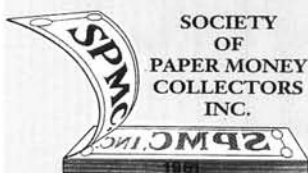
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Society of Paper Money Collectors



The Society of Paper Money Collectors (SPMC) was organized in 1961 and incorporated in 1964 as a non-profit organization under the laws of the District of Columbia. It is affiliated

with the American Numismatic Association. The annual SPMC meeting is held in June at the Memphis IPMS (International Paper Money Show). Up-to-date information about the SPMC and its activities can be found on its Internet web site www.spmc.org.

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Members who join the Society prior to October 1 receive the magazines already issued in the year in which they join as available. Members who join after October 1 will have their dues paid through December of the following year; they also receive, as a bonus, a copy of the magazine issued in November of the year in which they joined. Dues renewals appear in the Sept/Oct *Paper Money*. Checks should be sent to the Society Secretary. ♦

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APPOINTEES:

PUBLISHER-EDITOR Fred L. Reed III, P.O. Box 793941, Dallas, TX 75379-3941

CONTRIBUTING EDITOR Gene Hessler, P.O. Box 31144, Cincinnati, OH 45231

ADVERTISING MANAGER Wendell A. Wolka, P.O. Box 1211, Greenwood, IN 46142

LEGAL COUNSEL Robert J. Galiette, 3 Teal Ln., Essex, CT 06426

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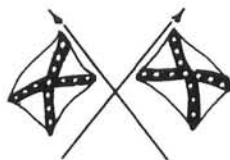
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Civil War Change Shortage Gave Rise to Curious Makeshifts

By Fred L. Reed III[©]

IN SUMMER 1862 A CARTOON APPEARED IN THE BRITISH publication *Punch* which epitomizes the financial circumstances of the time. It shows a rebel dragging his brother over the precipice, the ties of Union snapped and the gloomy abyss of bankruptcy below. Both figures are teetering on the brink as the two wage mortal combat. The rebellious brother grasps his sibling in a head lock, steely-eyed ready to land a mortal blow to his brother's midsection. The other brother simultaneously readies to plunge his knife decisively into the back of the usurper. The cartoonist's perception that this mortal struggle would soon plunge both parties into insolvency was shared by the American public at large.

Fearing the worst, people were doing their best to conserve their resources against that dark day of financial embarrassment. Specie, that is coinage, was hoarded and began to command a premium in relation to paper money. Such paper currency was of two basic types: (1) notes issued by state chartered banks; and (2) notes which had begun to be issued by the federal government a year earlier in response to the need to raise funds to finance the war. Brokers quoted the premium at 4-3/4 percent in early February, 1862. By June this premium had doubled. As the disparity between this paper currency and specie escalated, not only the valuable gold and silver coinage, but ultimately even the copper nickel cents disappeared from circulation.

Almost over night \$25 million in small change disappeared from the channels of commerce. Although many people had coins stashed away, they were reluctant to spend them even at the advanced price the coins brought in the marketplace fearing additional inflation would drive the coins' value higher and they would lose out. Brokers competed with one another to purchase additional amounts.

Faced with myriad military exigencies, the general government failed to supply this want efficiently. Financial disarray was widespread. Public hoarding of small change reached overwhelming proportions. Much has been written about the difficulties in making purchases. Even in our increasingly cashless society, we can well imagine what our lives would be like today without small change. In 1862 it was much worse. Prices were fractions of what they are today for most items. A quarter was a good deal of money. Three cents would buy a newspaper or a stage ride. Five cents would buy a glass of beer and a lunch. Not getting one's change from even a small purchase was intolerable.

The Mint at Philadelphia turned its coining

From abroad, the English magazine *Punch* viewed the Civil War in its former colonies correctly as a fratricide which would plunge both sides into the abyss of financial collapse.

PUNCH, OR THE LONDON CHARIVARI.—JUNE 7, 1862.



THE "SENSATION" STRUGGLE IN AMERICA.

presses to copper-nickel cents almost exclusively. The public on its side turned to the only generally available medium at hand and seized upon the postage stamps for small change. Merchants were forced to accept this substitute. The lower stamp values were similar to the lately circulating coinage denominations: 1-, 3-, 5-, and 10-cents. Even the irregular 12-, 24-, 30- and 90-cent stamp values were better than most other substitutes or, worse yet, no change at all.

The tenor of the times required some accommodation to the needs of the public. As 1862 wore on shopkeepers posted signs such as "postage stamps received for goods and given in change for current money." Others advertised stamps for sale. The practice had become general by the time the leading publications began urging the federal government to sanction this practice. With silver commanding 12% premium compared to currency, it's easy to see why.

Public response was to run on the post offices, depleting available quantities and taxing the Post Master General's ability to supply the calls for postal purposes. This only exacerbated an already difficult situation since a year earlier the outbreak of war had caused the government to repudiate its then current postage stamps necessitating their replacement, and the enacting of internal revenue acts to help finance the war had called for supplies of additional stamps for those purposes. The government contractors were unable to supply all these requirements.

Sticky adhesive stamps changing hands in the market place soon soiled and collected in messy wads in the bottoms of pockets and purses. A contemporary observer, certainly not given to hyperbole, characterized the distress in the market place as the most important problem of the day. He said the small change panic "apparently absorbs the entire attention of the people to the exclusion of the war, the condition of the army, the new call for troops, the

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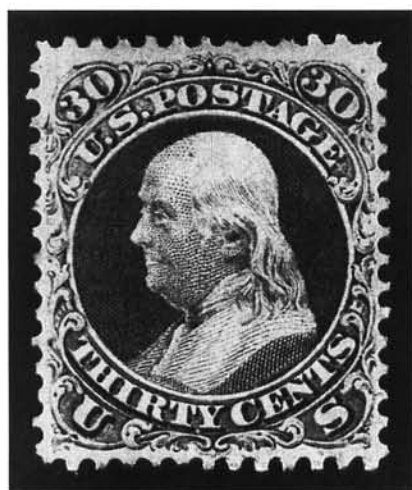
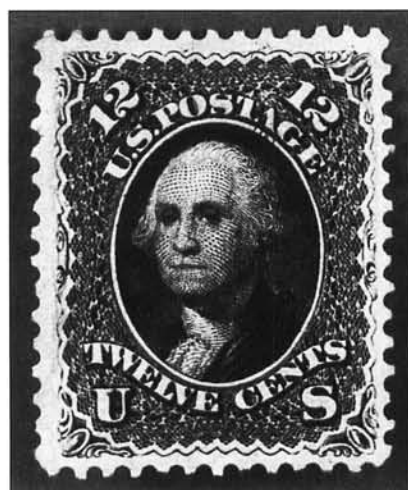
Merchants, such as Evansville, IN dry goods merchants Schapker & Bussing, advertised they would accept postage stamps in the course of business transactions.

The change shortage in summer 1862 affected the rich and poor alike. At right, the very real plight of public and merchant fell under the purview of editorial cartoonist Thomas Nast in *Harper's Weekly*, August 9, 1862, p. 512.



PLEASANT.

Under the above Circumstance, you are called upon to pay your Fare—and, hurry up! You have only Postage Stamps in your pocket; and the Old-Fashioned sticky ones, at that!



The U.S. postage stamps pressed into service as small change were a colorful lot. Engraved and printed by the bank note companies for the government, this fine series debuted in August, 1861, replacing the former issues which were demonetized because of the war. The blue one-cent depicts Benjamin Franklin (Scott 63); the rose three-cent, George Washington (Scott 65); the red brown five-cent, Thomas Jefferson (Scott 75); and the yellow green ten-cent, Washington (Scott 68); the black twelve-cent (Scott 69), red lilac twenty-four cent (Scott 70) and blue ninety-cent (Scott 72) have three fine engravings of Washington, while the orange thirty-cent depicts Franklin (Scott 71). In July 1863 a black two-cent stamp depicting Andrew Jackson (see page 19) was added to the series. (Clifford Cole photos)

doings of Congress, or even the policy to be pursued with regard to the Negro."

Other expedients arose. Private individuals and merchants as well as municipalities and merchant associations began issuing scrip in small values. The *New York Times* remonstrated against both the private shinplasters and the circulation of postage stamps, which it termed "an annoyance, particularly in these dog days." Secretary of the Treasury, Salmon P. Chase, reluctantly addressed the matter in a letter to Congress July 14. He recommended "receiv-

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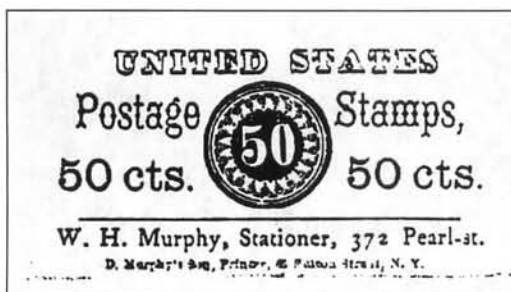
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ing of postage and other stamps in payment of the fractional parts of a dollar." Congress remained in session an extra day to provide for the remedy. In one of its last acts before adjournment for its summer recess, it passed the legislation monetizing stamps. President Abraham Lincoln signed the legislation immediately on July 17, authorizing the Secretary of the Treasury to furnish postage and other stamps for use as currency in payments to the United States less than \$5.



Despite its earlier outrage against this minute stamp currency, the *New York Times* reacted favorably. It hailed the passage of the stamp act "as THE (emphasis given in the original) solution to the problem." Even though the act required the Treasury Department to furnish the public stamps, it did not make them payable for dues to the government until August 1. The public, however, immediately descended *en masse* upon the Post Office. Horace Greeley's *Tribune* reported that "no sooner was the passage of the act known than a rush for postage stamps began. Whereas stamp sales in New

York on a normal day prior to the act's passage was about \$3,000, the day after [passage] sales jumped to \$10,000. The following day sales in New York hit \$16,000 and three days later \$24,000!"

In its optimism and hysteria to employ the stamps in its purchases, the public had rushed thousands of dollars of these miniature "gum backs" into circulation despite their obvious disadvantages. "To hand a New York stage driver his fare of two three-cent postage stamps on a wet day, to buy a newspaper on a windy street corner, to make change hurriedly doing the

Generic envelopes to accommodate stated values of stamps were the first to appear.



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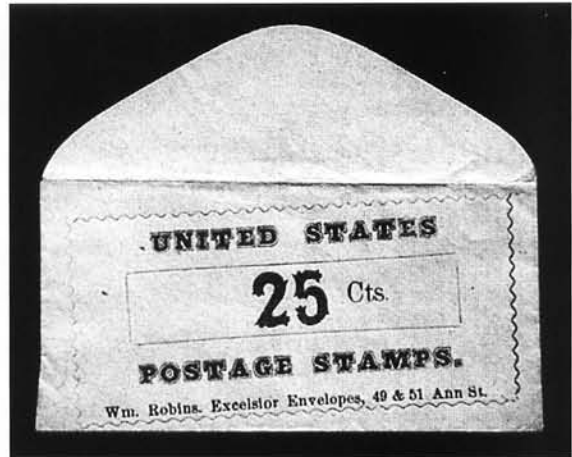
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Merchants soon realized the virtues of the small envelopes for change and advertising purposes. (Kevin Foley photos)



sums necessary in the ordinary affairs of life with the intrusion into the decimal system of such odd sums as those represented by the stamps only increased the vexations of life," and marked the stamps as the "worst circulating medium ever known in the United States," according to one observer.

The public's euphoria of the day passed quickly. The grave drawbacks of such a poor change substitute became quickly apparent, especially to those

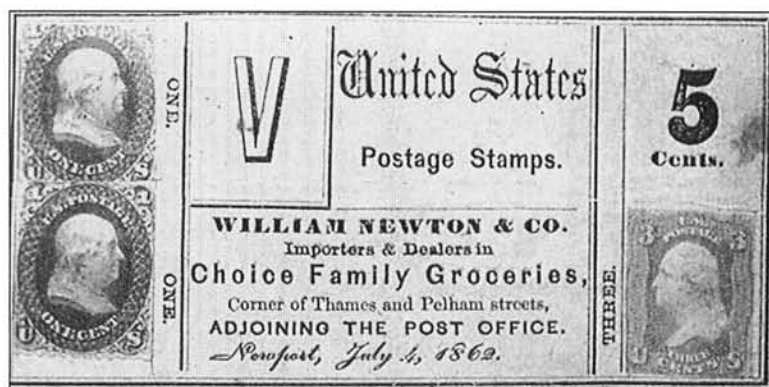
concerns which were ultimately paid in this motley currency. Within two days of the stamp act, Harnden's Express urged in the *New York Herald* that the stamps be placed in small, neat envelopes especially made for this purpose, with the sum of the stamp denominations printed on the outsides of the envelopes. On August 3rd Murphy's, a New York printer, advertised it would supply postage stamp envelopes for 75 cents per thousand. Other printers in New York, Brooklyn, Jersey City and elsewhere quickly offered such envelopes for sale. One type was printed by T. R. Dawley of New York, who advertised he could supply "envelopes of all sizes, styles and colors, for enclosing the 'Sticking Plaster Currency.'" Such envelopes were convenient, but ultimately failed to keep the stamps clean. No prudent soul could fail to open the envelope and count out the stamps. Another makeshift, pasting stamps on folded slips of paper such as Harvey Gridley Eastman and others favored, destroyed their future postal value.

The runaway stamp sales could not continue indefinitely and Postmaster General Montgomery Blair urged local postmasters to restrict sales to the "normal levels existing" prior to the run on stamps. Even so, less than a week after the passage of the stamp monetizing act, the New York postmaster was ordered by Washington officials to cease supplying the stamps for currency, which he did on July 23. Even for postal purposes, patrons were restricted to no more than \$10 worth of stamps. Soon large retailers were offering premiums to obtain stamps in quantity for use as change. The *New York Times* reported on July 24 that a restaurateur was offering three percent premium for stamps. Although it was illegal to charge a premium for stamps, additional firms responded by advertising their sale for currency purposes, too.

Despite the constant warnings that stamps needed to be kept clean so as to remain suitable for prepayment of postage, one can visualize the impossibili-



Merchants, like the Chicago City Railway Co., that had redeemed large quantities of stamps advertised their resale to the change starved public. *Chicago Evening Journal*, July 28, 1862.



A Philadelphia merchant pasted stamps on thin cardboard with his business opposite the stamp. A. M. Kagin collection. (Fred Schwan electronic imaging) This made the stamp somewhat durable, but destroyed any future postal value. Another solution affixed stamps to slips of printed paper with the same downside. ex- H. K. Crofoot collection, courtesy Matt Rothert. (Smithsonian Institution)

ty of actually doing so. Stamps were crammed into pockets, stuck to the palm of one's hand or to each other. In addition to the small envelopes, some firms adopted the practice of pasting them on sheets of paper folded in half or on small cardboard chits. A stationer, Leeds & Franklin at 112 Broadway, New York City, sold mounted stamps on cards of its own design. "These stamps are inserted in inclosed cards, with raised rims around the edge of each stamp, which effectually protects them from wear and tear, and make them very convenient to handle," according to a newspaper report. The stamps were offered to merchants at premiums ranging from one percent to two and one-half percent. Although these measures provided modest protection, such stamps were rendered postally useless. If for this reason and no other, these practices were not nearly so widespread as the use of the small stamp envelopes.

Most stamps, however, continued to be simply passed from hand to hand. With no intrinsic value of their own, this stamp currency depended for its acceptance and circulation on its ultimate availability for use for its intended postal purpose. Soon stamps were proven to be a wretched and unfit currency substitute for small change. The federal government responded by printing specially prepared small notes with stamps as part of their designs. This Postage Currency, however, was much delayed, too. Wags of the day joked: "Can't change a dollar bill, eh? Well, I'm glad of that. I've had thirty-six drinks on it in three days, and it may stand a good deal of wear and tear yet."

The humor of this situation was lost on most people. Those caught up in the throes of the situation understood the climate precipitating the New York Times story headlined, "An amusing quarrel concerning paper change." What happened was a broker refused to accept postage stamps in change from the driver of an omnibus. The pair argued and being unable to resolve the difficulty, the driver headed off in the other direction, eventually pulling up in front of City Hall. The driver took his case to the City Marshal. The rider contented that since the driver had a sign posted refusing stamps for fares, the prohibition should work both ways. The marshal took the side of the driver, and the rider took the stamps under protest. The rider threatened to sue the marshal and demanded to be transferred to his original destination for the fare he had already paid. The driver would not allow him to reenter the stage and drove off. The broker's loud protestations as he tried unsuccessfully to climb back into the stage drew a crowd of people in front of City Hall and a reporter from the adjacent New York Times Building. The New York Times editor found the situation amusing. It's doubtful the participants did.

The quarrel took place in New York City Hall Park, immediately across Broadway from the Park Place Hotel, where inventor John Gault already had a room by early summer 1862. Perhaps he was one of the amused bystanders. Maybe not, but it is certain that Gault was already in New York before receiving



Printers in all the major cities, and plenty of minor ones too, vied for the burgeoning traffic in printing small change notes. Anyone who could pay the printing bill was a candidate for this unregulated issue of money. Two prominent firms in this trade were Louis Prang (opposite) of Boston and Ferd. Mayer of New York City (right).

badges of mourning.
Services will take place at the Attorney-st. Church.
JOHN DECKER, Chief Engineer.

WANTED.—A CHIEF BUGLER FOR A CAVALRY
regiment. Address BUGLER, Box (No. 140 Times
Office.

SMALL CURRENCY BILLS.—CORPORATIONS
and merchants wishing to issue small currency
bills will be furnished with samples and estimates on ad-
dressing the subscribers. FERD. MAYER & CO.,
Lithographers and Engravers, 96 Fulton-st., New-York.

SHARPSHOOTERS.—FINE TARGET RIFLES,
with patent muzzles, ball-starters, swedges, &c., from
celebrated makers, breech-loading rifles, and a large lot
of ordinary rifles, for sale by UNION & WHEELLOCK,
No. 340 Broadway.

the encased stamp patent. He had set up shop at No. 1 Park Place seeking his fortune with his military-related patents and his new found business relationships with the other driven young men ensconced there. Gault's fertile imagination had produced designs for several exploding artillery shells, which had received notice in the trade press, and the financial backing to bring into production to supply the wants of the Army.

Obviously aware of the commercial difficulties of his time, the inventor turned his attention to the public hysteria over small change, and conceived his ingenious solution to the small change crisis in July. As I pointed out times over in my book *Civil War Encased Stamps: The Issuers and Their Times*, John Gault was insightful in anticipating needs. He was a quick study, decisive, in short, a man of action. Among the Gault family papers is a key missive, which he dispatched to his brother Henry explaining that he would not be available to spend the July 4th weekend with family members in Boston. It is dated July 1st and headed "1 Park Place." Gault writes: "Dear Brother [Henry], I have been travelling so much lately getting my new business started that I don't feel able to go to Boston as I expected to spend the 4th. . . . Yours, John." This letter was written in the week following the granting of the patent he shared with William V. Barkalow. Barkalow had sights on being a prime military contractor. He had designs on Gault's exploding artillery shells, and the pair was out to convince military procurement officials of the superiority of their designs.

Simultaneously his new enterprise — supplying a neat and efficient alternative for the hoarded government small change to merchants for a modest fee — was conceived, patented and launched. It was icing on the cake. The Patent Law had been recently modified to expedite processing of design patents to encourage improvements in matters of "taste, form and artistic skill." Gault worked quickly. During the week prior to Wednesday, July 23, 1862, he met with O. D. Munn and his staff at *Scientific American* to iron out the details of his

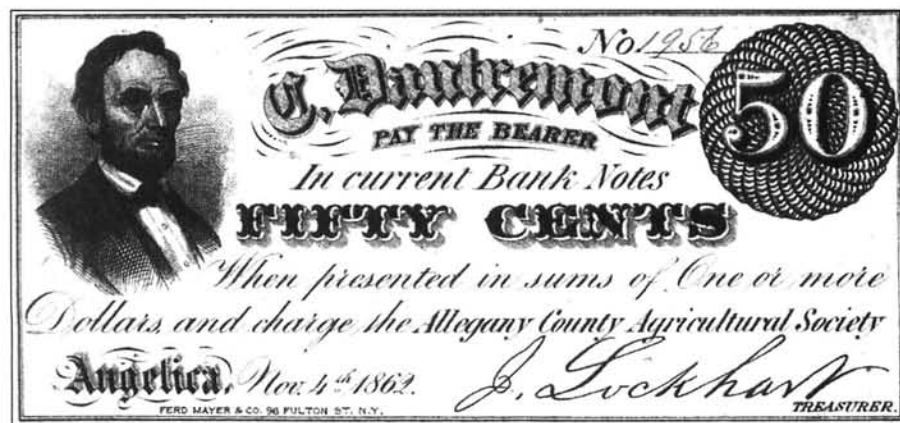


plan. A brief stroll across City Hall Park from his office at 1 Park Place brought him to their offices at 37 Park Row. It was relatively simple to obtain a Design Patent. His drawing was witnessed by Ed Brown and E. D. July. Gault paid Munn & Co. \$35 for their services on July 22. Thirty dollars was for the patent itself; the remainder for Munn & Company's services. On July 23rd, *Scientific American* published receipt of the funds, and Munn & Co. registered his patent design claim in the District Court in New York City.

According to the records of the U.S. Patent Office itself, Gault's claim to his unique invention was filed July 24. Gault claimed to have invented "a circular metallic case, to contain a postage or government stamp, to be used for currency, the configuration of the open face plate being as described and represented." Three weeks later on Tuesday, August 12, he was granted a design patent, number 1627, for his "Design for Encasing Government Stamps." The patent was good for 14 years. Gault was not required to submit a model for his design patent, just two copies of the drawings. However, he went to the extra trouble. The patent model he devised is similar, of course, to the designs illustrated on his filing papers. Its obverse (merchant side) bears the engraved message: "JOHN GAULT // BUSINESS // CARD. Its reverse (stamp side) has a 10-cent green Washington Stamp (Scott 68) in a frame with thicker rims and tabs than the issued pieces. It most closely approximates Figure 2 on the design sheet Gault submitted. Its existence has been known at least since 1959.

Let's examine Gault's novel idea. The construction of his encased stamps is interesting. As virtually any item of manufacture, it consists of several parts. In this instance five distinct elements are joined together to form the encased stamp. These are:

- (1) an outer, wrap-around frame of thin brass with an opening in its center;
- (2) a thin piece of mica;
- (3) a cardboard circle around which the corners of the stamp is wrapped;



Louis Prang called the fractional notes he printed **SMALL CURRENCY** in both his ads and on his advertising scrip.

A bewildering array of small change notes was rushed into circulation. Some, like this 50-center printed by Ferd. Mayer and issued by an upstate New York agricultural society, employed patriotic motifs such as this rather crude image of the President, Abraham Lincoln, to gain acceptance or support the war effort.



Thousands of small denomination notes sprang up almost overnight, initially bringing some relief to change-strapped commerce. But soon the bewildering mass of questionable notes brought cries for suppression of such shimplasers. These notes were issued in a variety of denominations, sizes and designs. Many were worthless and fell to a loss to their final holders.



Other makeshifts also entered circulation as small change. In Chicago cardboard transit tickets of the Chicago City Railway Co. were also accepted in trade by the public and most local merchants, alike.

- (4) a circular disc of thicker brass on which a message is embossed;
- (5) a U.S. postage stamp.

Photo buttons, of the type patented by Humphrey Copeley and R. E. Hitchcock, and marketed ubiquitously by Abbott & Co for Scovill were already a common item of commerce, having been frequently employed during the presidential campaign of 1860 and thereafter. Holding small tintype pictures or engravings, such brass containers frequently were holed for suspension, studded for use as buttons, or fastened by pins as decorations. Gault's case is not much dissimilar from such photo buttons. His claim was not for a button *per se*, but rather he claimed "an invention new and original [for] a circular metallic case, to contain a postage or government stamp, to be used for currency." The precise wording of his claim shows the influence of the Munn & Co. patent attorneys, reflecting as it does the precise wording of the July 17th law which monetized "postage and other stamps." These "other" stamps might have included the Revenue Stamps authorized by the Internal Revenue Act of July 1. Although no regular issue encasements contain these revenue stamps, their absence is due to their inavailability at the time of encased stamp manufacture. The Revenue Act also limited, a sanction not lifted until December 25, 1862, use of these stamps to payment of the tax upon the particular article or instrument specified on the stamps' face. Bids to supply the revenue stamps were not advertised for until August and the contract printer, Butler and Carpenter of Philadelphia, did not supply many of these issues until late in the year, 1862, with large quantities becoming available only still later the following year.

Gault's "Stationery Design" as it was later classified by a Patent Office

Nickel Cents.

The *United States Gazette* (Philadelphia) says:—

"The mint is now running its entire force upon nickels. The cost of making this insignificant coin is nearly as much as the cost of making double-eagles. The only difference is that the latter coin is weighed and adjusted, piece by piece. The nickels are exempt from any such close manipulation. The labor daily done at the mint, if expended upon double-eagles, would produce \$40,000 per day. Upon nickels, as it is now expended, the results are but about twenty-five hundred dollars per day in nickel. When the currency question is regulated and specie comes forth from its many hiding-places, nickel cents will be like the locusts of Egypt. They will be so abundant as to constitute a nuisance. Except for convenience in doing retail business, they are of small value. In small sums each nickel represents the hundredth part of a dollar, yet it is not intrinsically worth even that. Nickels cannot be used as legal tender, nor for exportation, yet a fictitious value is given to them by speculation that is really culpable. To produce them in sufficient quantities, the nickel-coining machinery of the United States mint is running even into over-hours."



clerk, was for a metal frame similar to those devised by Copeley, Hitchcock and others, except for the single opening through which the stamp was visible under a mica pane which kept the stamp clean and safe. Mica is not familiar to most modern readers, but it was a commonly employed mineral at that time. Sometimes incorrectly called isinglass, its chief use was in heat resistant window panes in the stoves of that day. Because of this mineral's perfect cleavage, mica "books" could be split cleanly into sheets or layers. These clear sheets of paper thick mineral were durable, flexible and elastic enough to serve Gault's purposes well.

Since no back opening was necessary (unlike the political pieces which permitted depicting a vice presidential running mate in the 1860 political pieces), a plain brass disk was all that was necessary for the closure. In this configuration Gault's encased stamp cases resemble the gilt buttons produced by Scovill Manufacturing Co. and other large button companies for military and similar uses. A quick comparison with any of the multitude of different Scovill-made buttons of that day will quickly confirm this. This led an earlier writer to wax eloquently: "by comparing the backs of encased stamps with the backs of their [Scovill's] large buttons, we find the same smooth, round folding of the front disk over the back — evidence of perfect, well-finished work by the same machine, the same workmen, and the same firm." This can be observed perfectly well by the examination of Scovill-made buttons of the period.

Gault's design patent illustrates six similar faces in as many sizes, all with similar shield-shaped openings and wing tabs to left and right. His two backs are plain. It is likely Gault anticipated various sizes for his denomina-



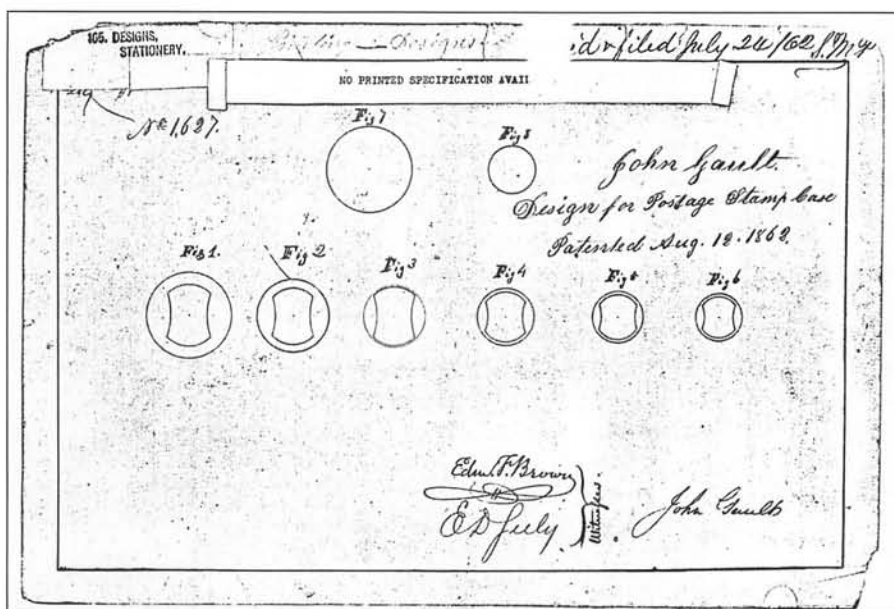
Copper Tokens or Medals, Blanks, Dies, Business Cards, and Collections furnished cheap and in great variety. Also National Union League Badges, Army Corps Badges, National Union League Pins, &c., at lowest jobbing prices.
A. OGDEN, No. 1 Park Place, New York, Room No. 16.

Unable to coin silver and gold for circulation, the U.S. Mint turned its entire attention to the copper nickel one-cent coin. Although prodigious efforts were expended to produce these pieces, they scarcely met demands. Soon even these pieces were bringing a premium in the marketplace, one percent by summer 1862, although their intrinsic value was much less than their face. This was a convenience premium. Once again merchants rushed into the void and issued copper and brass tokens and store cards. Many were anonymously issued cent-sized patriotic tokens, but convenience in trade and advertising suitability combined to make these pieces popular choices for thousands of merchants. These storecards were also frequently cent sized, but some larger pictorial pieces such as M.L. Marshall's store

card above also appeared. An active trade sprang up for their sale and ads began to appear in the newspapers of the day, such as that of A. Ogden shown at right.



The original design registration sheet for John Gault's encased stamp bears the written notation that it was received and filed in the Southern District of New York (New York City) on Thursday, July 24, 1862. It also bears the hand written notation that it was originally classified as a Printing Design and a label that it was subsequently reclassified as a Stationery Design. It was, of course, neither use that Gault anticipated with his multi-form design when he affixed his signature to his patent application. Patent No. 1,627, August 12, 1862. (U.S. Patent Office) Customarily, new patents were published in *Scientific American* as they were approved. In that era, incidentally, all patents were granted on Tuesdays. Gault's encased stamp patent, No. 1627, was a design patent numbered independently from mechanical patents granted that same day.



DESIGNS.

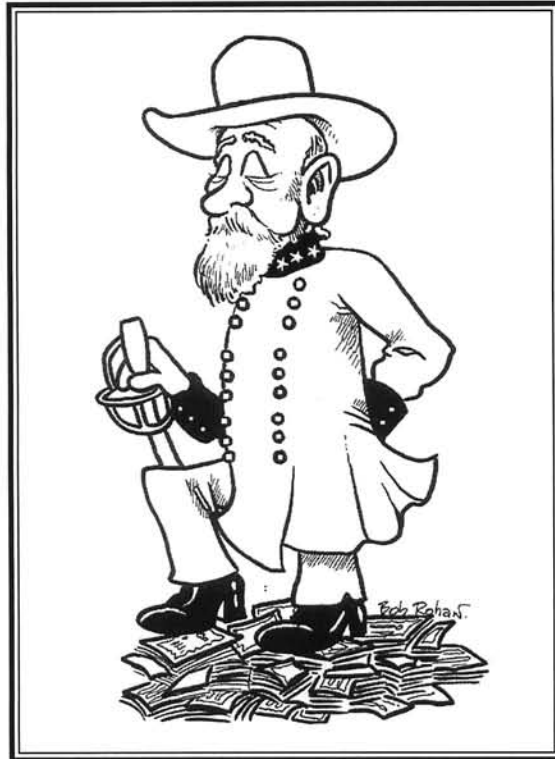
- 1,624.—S. D. Arnold (assignor to P. & F. Corbin), of New Britain, Conn., for Design for Lifting Handle Plate for Coffins, &c.
- 1,625.—J. W. Burt, of New York City, for Design for Ornamental Anklet.
- 1,626.—T. W. Evans, of Philadelphia, Pa., for Design for a Trade Mark.
- 1,627.—John Gault, of Boston, Mass., for Design for Postage Stamp case.
- 1,628.—Constant Hesdra, of Brooklyn, N. Y., assignor to W. H. Core and A. Lorenz, of New York City, for Design for the Base of a Show Case.

tions not unlike the displaced coinage. However, all the issued pieces are approximately 24 millimeters in diameter, including the full range of denominations he had made up for himself. The issued stamp cases are slightly smaller than a quarter dollar in diameter and thickness, but weigh much less. The quarter is 24.3 mm in diameter. In thickness, 16 encased stamps stack to an inch, compared to 14-15 quarters. A dozen encased stamps weigh an ounce. So they are much lighter than a quarter. Slightly over 4.5 quarters weigh an ounce.

The press employed to manufacture Gault's encasements has been described as an "old fashioned flat-button machine." The press forced the thin brass wrap-around frame to encircle the edge of the advertising disc, securing it solidly. It is interesting to note a contemporary account of such a machine process employed at that time by Scovill:

The melted red-hot liquid is turned into molds, making narrow plates say 15 or 18 inches long, 4 to 5 inches wide and half or 3/4 inch in thickness. These plates are then rolled down to the proper thickness for buttons between cylinders which are nearly a foot in diameter. Then the buttons are cut out. Then the buttons are stamped in a mold [embossing die]. The mold [embossing die] gives the figures, letters, or whatever is desired for the outside of the buttons, and gives them the flat, convex or concave shape. ... They are then gilded by dipping them in an amalgam of gold and mercury or quicksilver and then made smooth and bright. Everything is done by machinery. Every process upon the buttons is done in an instant, as it were.

CRUTCHFIELD'S CURRENCY



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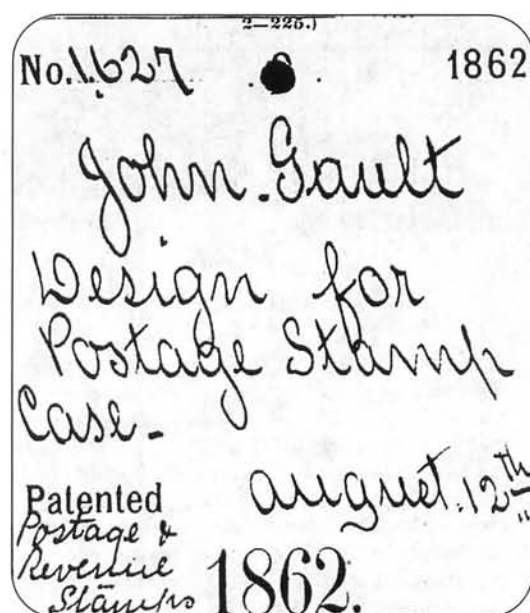
Phone: 281-334-3297 Cell: 281-455-2511

Website: www.CrutchWilliams.com

Email: Crutch@houston.rr.com



John Gault // Business // Card is engraved on the back of the original patent model for his encased stamps. This custom made stamp enclosure differs significantly from the mass-produced pieces. It is approximately 10 percent larger in diameter, with thicker tabs and frame rims. Although the law specified "postage and other stamps" of the U.S., someone has written "Postage & Revenue Stamps" on the Form 2-225. (Bowers and Merena photos)



Substitute stamp case for button, silvering for gilding, allow for the insertion of the cardboard spacer, stamp, and mica disc, and one has a good understanding of how Gault's patent cases were produced.

Another contemporary view of the Scovill operation pegged its production capacity at 216,000 brass buttons daily. Employment was 53 persons in the brass rolling mill and about three times as many in their brass products department. It is thus clear that Gault's specialized button product would not have taxed the manufacturer overly much. Production of the encased stamps, however, could not have proceeded nearly so rapidly as military buttons due to the fragility of the mica insert, and the stamp/cardboard insert. It seems reasonable that the cardboard may have served as a "shock absorber" to protect the mica from the shock of the case closing as much as in holding the stamp in place.

The encased stamps present two distinct types of obverses (advertising side of the encased stamps). The initial pieces circulated by John Gault, as well as those subsequently produced for John I. Brown and the Irving House, have plain borders. This is the Type I obverse. The Type II obverse is used on all other issues, and is differentiated primarily by a border of approximately 100 raised balls surrounding the advertisement, set within the recessed ring at the circumference of the advertiser's metallic disc.

Likewise the issued pieces present two distinct types of reverses (stamp side). These are the normal or "plain" (flat) wrap around design and the so-called "ribbed" or grooved wrap around. Much useless speculation has appeared concerning the purpose of the ribs or grooves. As can be readily seen from Scovill buttons of the period, such parallel corduroy patterns were normal for backgrounds on military buttons of that period. On the shiny military buttons, these grooves presented a less reflective (hence darker) background for the main button device, setting it off aesthetically. A similar artistic treatment is common to engravings for dark backgrounds. On encased stamps such grooves serve no similar purpose. Pieces displaying these grooves (Type A reverses, i.e. stamp side of the encasements) were merely punched from leftover rolled, brass button stock. (Note: the grooves appear over the entire face of the wraparound, not just on the half moon

Within weeks of its patenting, Editor Horace Greeley took notice of Gault's invention, calling the small change substitute "not a bad" idea. *New York Daily Tribune*, August 30, 1862. (Illinois State Library)

City Items

A SUBSTITUTE FOR COIN -- A friend has shown us a light circular metallic sheath of white metal for postage stamps of large and small denominations, the face of the stamp being covered with a transparent sheet of mica. It is slightly smaller in diameter than a quarter of a dollar, and is designed to take the place of small silver coin. The metallic back is to be stamped with the advertisement of the houses ordering them. Their price to purchasers is \$20 or less a thousand; to the general public, only the value of their face. The idea is not a bad one.



tabs as some authors have erroneously stated). Once Gault's product got into general production, flat, rolled brass stock was used for these (Type B) wrap arounds.

Some pieces are also found silvered and this has also caused additional useless speculation in the past. It was normal for brass military buttons to be gilded or silvered, although not all buttons were produced so expensively. Initially Gault felt it necessary to silver his encased stamps, too, since both sides were silvered. He felt this made them look more like the silver change for which they were a ready substitute. Since the silvering wore off quickly he soon concluded that such an additional costly process was unnecessary.

It is plain that once Gault's patent was issued, he wasted no time securing his first order. Horace Greeley, who had originally urged use of stamps for small change but reversed his position when the fate of that medium in actual circulation became manifest, was quick to acknowledge the benefits of Gault's New Metallic Currency. On August 19, only a week after the government issued Gault's patent, Greeley's New York *Tribune* took notice of Gault's plan. He called the encased stamps a "happy solution to our common plight." *Scientific American* published the granting of Gault's patent August 30. That same day, Greeley called attention once again to encased stamps in circulation and reprised their virtues for his readers.

Such commendation from the influential New York daily newspaper editor is interesting. The same law of July 17 which monetized stamps for use in payment of dues to the United States from and after August 1, also should have prohibited the competitors to Gault's "New Metallic Currency." The precise language of the law reads: "That from and after the first day of August, 1862, no private corporation, banking association, firm, or individual shall make, issue, circulate or pay any note, check, memorandum, token, or other obliga-

Presenting a uniform "neat and handy" appearance, a denominational typeset of Gault's small change store cards display Benjamin Franklin on one- and thirty-cent values, George Washington on three-, ten-, twelve-, twenty-four-, and ninety-cent denominations, and Thomas Jefferson on the five-cent issue. The two-cent Andrew Jackson issue is enigmatic because the stamp was not issued until after the change crisis. The tokens' obverses bore ads such as TAKE AYER'S PILLS. Massachusetts proprietary medicine manufacturer J.C. Ayer was John Gault's principal client. (Dr. Wallace Lee photos)



In summer 1863, the government introduced a two-cent stamp depicting General and President Andrew Jackson. Several rare specimens of encased stamps with this stamp are known.

Press reports indicate the possibility of the Federal Government adopting Gault's expedient for remedying the small change crisis was real. Was it? Perhaps the notation on Gault's Patent Form 2-225, "Postage & Revenue Stamps," is a clue. *Chicago Evening Journal*, October 31, 1862, p. 2.

STAMP AND MICA CURRENCY.—It is stated that the Commissioner of Internal Revenue is disposed to think the mica cases for stamps, designed to facilitate their use as currency, well suited to the purpose intended, and sufficiently cheap to justify the Government in their adoption. They are but little larger than the nickel cent, and very clean and beautiful in appearance.

tion, for a less sum than one dollar, intended to circulate as money or to be received or used in lieu of lawful money of the United States." On conviction, the penalties provided by the statute were a fine up to \$500 and/or imprisonment up to six months.

It seems clear that Congress intended to prohibit the fractional shinplasters and the proliferating tokens and store cards. What is arguable is whether Congress would have considered the very kind of currency issue Gault contemplated forbidden. Sanctioning circulating stamps is one thing. Circulating stamp tokens with private advertising messages would appear to be another thing entirely. Yet Gault received the government's tacit approval when his patent was granted less than four weeks later. Gault wasted little time in instituting his plan once his patent was granted.

In addition to the military buttons Scovill was turning out by the thousands, the firm was also producing a wealth of photo medals marketed through Abbott & Co. in New York City and throughout the country via advertisements in the prominent periodicals of the day. These were the natural offspring of the popular campaign ferrotypes the firm had produced for the 1860 general election. The popular subjects of the day were George Washington and various of the Northern generals. In size, shape, and design they are very similar to Gault's encased stamps. It was easy for them to convert machinery and dies to Gault's product.

John Gault's initial output had grooved frame, Type A wrap arounds. This first emission was overwhelmingly five- and ten-cent ribbed (grooved) stamps: i.e. Reed JG05RB and Reed JG10RB. Although three-cent and one-cent stamps were the most commonly available, he practically eschewed these denominations. He was creating small change for circulation. Replacements for

In Chicago, and perhaps elsewhere, die cut circular cardboard disks called "change checks" were put forth as a small change remedy. Both the local newspaper, the *Chicago Evening Journal*, and a Clark Street printer, S.S. Millar, produced the pieces (right). These items were advertised in the Chicago press in mid-fall 1862 in competition with John Gault's encased stamps which had just reached the city at the time.

EVERY DENOMINATION
OF
Change Checks!
PRINTED AT
The Evening Journal Office,
50 DEARBORN STREET.
Send in your orders from the country.



Change Checks.
ROUND CHANGE CHECKS,
SIZE OF HALF A DOLLAR,
ADMITTED BY ALL TO BE
THE BEST CHANGE CHECKS
ISSUED.
Price \$4.00 per First Thousand,
\$3.50 for each Additional Thousand.
S. S. MILLAR,
No. 55 Clark Street, Chicago.
1862

You're Invited to the...

11th ANNUAL CHICAGO PAPER MONEY EXPO -

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Saturday, March 19	10 am - 6 pm
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E-mail: kfoley2@wi.rr.com

PROPOSED NEW POSTAL CURRENCY.—A Washington correspondent says that parties in New England propose a new style of postal currency. It is to inclose the Post Office (or postal currency) stamp in a circle of white metal, covered by a piece of mica making a circular metallic case with the stamp protected from the wear and tear of use. It has been approved by all who have seen it. It is stated that, at the present rate of issue of the postal currency, it will take eight years to bring out the fifty millions authorized by Congress. The inventors of this new style of currency propose to get up the stamps themselves at their own cost if allowed to issue these metallic currency. They think that by employing the button factories of New England they can very nearly supply the demand at such an advance as will be satisfactory to the bankers and to the public.

By mid-October John Gault had been joined by Joseph Kirkpatrick. By remarkable coincidence articles appearing in the Chicago and New York papers on October 18 indicate that the federal government was considering adopting his patent encased stamps. Above right, "Parties in Connecticut" refers to Scovill Manufacturing Co. a large button and brass stamping firm in Waterbury. *Chicago Evening Journal*, October 18, 1862, p. 1. (Illinois State Library) It is likely that the "Washington correspondent" was a Munn & Co. staff lawyer who had approached the IRS Commissioner on Gault's behalf. Here Scovill is identified as "parties in New England." All these makeshifts still failed to supply the need for low denomination notes, as the article "Scarcity of Currency" attests. This crying situation was only eventually met by the widespread release of the federal government's Postage and Fractional Currency. *Scientific American*, October 25, 1862, p. 259. (Dallas Public Library)

those two denominations were the most critical. Although silver three-cent coins and copper-nickel one-cent coins were becoming scarce, they were the last to be hoarded and bore the smallest premiums. These small government coins were the less "dear" in practical terms.

Gault's initial August output of this first order was about 25,000 pieces, which he offered to the public on a cost-plus basis. The convenience of Gault's medium appealed universally. The stamps expressed a recognized value. The public was already conditioned to accept this substitute and had shown it would also accept its limitations. Now, in Gault's stamp cases, the stamps were protected from deterioration. Their denominations were still clearly seen. The cases were uniform and round, and of a convenient size to facilitate their use in trade. In their silvered, brass cases Gault's coinage substitute was every bit equivalent to the hoarded government coinage. Whether their issue was prohibited by the strict construction of the act monetizing postage and other stamps was a moot point considering the financial dislocation of the day. Gault's substitute was much preferred to the heterogeneous paper scrip of questionable value being passed off on the public. Gault's case preserved the stamp's integrity as a postal document better than the other makeshifts as yet supplied. In the absence of the yet unavailable federal Postage Currency, they perfectly remedied the absence of the hoarded coinage.

The public's reaction to this neat and clean coinage substitute was the same as the newspaperman's. These stamp store cards were readily accepted as change and merchants offering them stood an excellent chance of being patronized. Is it any wonder that Gault was hailed for his ingenuity and that his new metallic currency was readily embraced? Is it any wonder the encased stamp won the sobriquet as the "happy solution to our common plight"? Gault's five- and ten-cent encased stamps were natural sellers. When he first sought to market his small change, he had to look no further than his own

six months, and a part of the time in a crowded dungeon, and deprived of light and air.

A NEW CURRENCY.—A new plan for obviating the small change trouble has been suggested and is being carried out by parties in Connecticut, which seems about the best expedient to adopt until we come back to the good old times of gold and silver. The small stamps now in use are incased in a small white metal covering, with a mica face, so that their denomination is easily seen. The whole is then of exactly the same shape, though not as large or thick as a quarter dollar; and is as handy in every respect as ordinary silver change. It can be furnished at about five per cent. premium. An effort is to be made to induce the Treasury Department to adopt this style of currency, in preference to the small bills, which, it is argued, being printed on inferior paper, will soon become dirty and ragged.

SCARCITY OF CURRENCY.—Philadelphia, it seems, is not only afflicted with a scarcity of small change, but has but little currency of any denomination below twenty dollar bills in circulation. The *Ledger* says: "One of our greatest inconveniences in trade now, and for some weeks past, is the almost universal scarcity of currency—not the fractional parts of a dollar, but currency of all denominations up to \$20. The banks have it not, and to meet the demand existing for it several of our prominent brokers

doorstep. He produced pieces in large quantities for sale to merchants at a premium as a convenience money with which to transact their commercial business. He had solved the chief drawbacks of the sticky gum backs.

Careful analysis demonstrates Gault's (hypothetical) business plan:

- (1) he produced JG05RB and JG10RB for sale at a premium (August, his cards)
- (2) he produced IH05RB and IH10RB for sale to Irving House
- (3) he urged support of his plan in the press through publicity/word of mouth
- (4) he produced BT03, BT05, BT10 (non-ribbed pieces for John I. Brown)
- (5) he produced AC03LA and AS03LG (no-ribbed pieces for J.C. Ayer)
 - he produced AS SM (1-, 3-cents)
 - he produced AC SA (1-, 3-cents), AP (1-, 3-cents), AS MD (1-, 3-cents)
- (6) he produced JG05 and JG10 (September, non-ribbed pieces for himself)
- (7) he produced KG05 & KG10 (October, non-ribbed pieces for he/Kirkpatrick)
- (8) he urged IRS adoption of his plan, which Treasury Dept. considered
- (9) he advertised encased stamps in newspapers (November)
- (10) he produced the other encased stamps (various dates, additional customers)
 - 5-, 10-cents for change-making (CO, EM, IH, JG, KG, SA, TH)
 - 3-, 5-, 10-cents balanced issue (BC, BE, BK, BT, BU, LT, ME, SB)
 - 1-, 3-cents for advertising (DO, DR, EV, TA, WH)
 - 1-cents for maximum exposure (AB, BA, CL, NA, ST)
 - HO03, MI05, NO, PE03-05, SH03-05, WL10

The response to Gault's initial order was phenomenal. His September reorder of his own encased stamps (Reed JG05 and Reed JG10) was upwards of 100,000 pieces. One of the interested parties was the federal government itself. Apparently Gault, or more likely his agents Munn and Co. approached federal officials with such a plan. It is worth examining the possible scenario that the U.S. government might have been induced to adopt Gault's small change measures, since as incredible as that sounds, notices in the press indicate that such a "trial balloon" went up for at least several weeks during the fall of 1862. This may be the most incredible part of the unfolding encased stamp saga. One wonders what the government might have chosen to advertise: INSURRECTIONS ARRESTED AT EARLIEST POSSIBLE OPPORTUNITY! In autumn 1862, the public wouldn't have believed it!

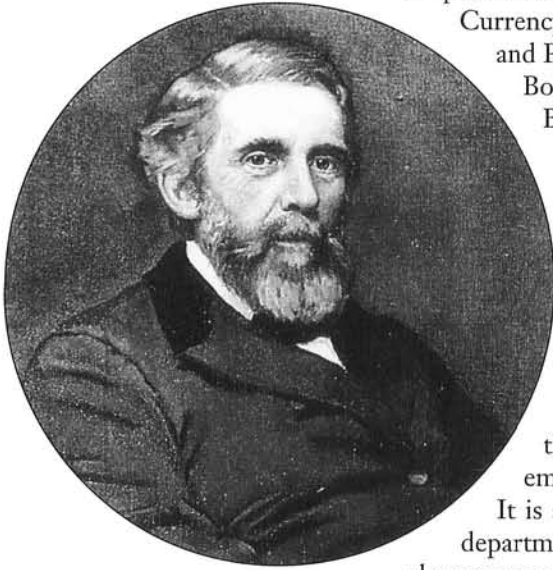
The first notice that something of the sort was under consideration was the Oct. 17 report out of Washington published in the *New York Times* the following day. Sourced to the *New York Times* Washington correspondent, it appears to indicate that federal officials were examining Gault's proposed currency as an alternative to the small fractional bills which were then being issued by the government. The notice is shown on page 24. Precisely how the encased stamps came to the attention of the federal official, Revenue Commissioner George S. Boutwell may never be precisely known. Although fellow Massachusetts residents, a search of the IRS correspondence during the time in question revealed no extant record of correspondence directly between Gault and Boutwell.

A former patent attorney, Boutwell was also a close friend and political ally of James Cook Ayer, Gault's principal client in the encased stamp venture. Boutwell had a long and distinguished public record, including two terms as Governor of Massachusetts. With his background and experience, Boutwell was an excellent choice to examine Gault's small change expedient on behalf of the government. The Internal Revenue Service was created by the Act of July 1st. Boutwell entered upon his duties as commissioner July 12. His first responsibility was to set up the bureau. His immediate problems were myriad. His duties included carrying out the newly enacted laws and supplying brand new stamps for the multitude of documents and articles requiring payments. These were onerous enough without multiplying his obligations to include solving the change shortage, too!

From the very beginning, however, he had also been tasked by Secretary of the Treasury, Salmon P. Chase, to work out the details for implementing the



Curious encased stamps have been identified by collectors over the years bearing uncurrent stamp designs such as the two-cent Internal Revenue stamp (Scott R-2) at top, or the 1851 Series one-cent stamp (probably Scott 7) at center, the Series 1861 10-cent envelope stamp at center, the Series 1857 10-cent stamp at center, or Series 1851 10-cent stamp at bottom. Collectors should be wary of such pieces since many encased stamps have been pried open and doctored to improve appearance or salted to create varieties over the years.



Treasury Secretary Chase expected a great deal in a short time from Revenue Commissioner George S. Boutwell (above). How Gault's encased stamps came to his attention (below) is a mystery. Boutwell was a political ally of James C. Ayer, and also a former patent attorney. Either connection could have sparked interest in Gault's invention. (*New York Times*, October 17th, 1862. Illinois State Library)

legislation of July 17 which monetized stamps. Chase, too, had a million problems, of which "small change" was – well – simply "small change." With runs on postal stamp supplies, the lethargy in introducing the Postage Currency, and the squabbling going on between his department and Postmaster General Montgomery Blair's, Chase assigned Boutwell the equivalent task of a "quick fix." On his part, Boutwell considered his midwestern boss rather dull witted, slow of mind and rather preoccupied. Boutwell had a much higher opinion of himself.

If the *New York Times* report is to be believed the matter in question before Boutwell concerned the sanction of encasing revenue stamps. It is extremely intriguing that the report should specifically note "metal cases for revenue stamps" since the patent office tagging accompanying Gault's patent model makes reference to revenue stamps directly, too, and the act monetizing stamps passed on July 17 did indeed embrace "postage and other stamps of the United States."

It is also known that at the time in question, the Treasury department was indeed considering aborting the paper fractional currency project and supplanting the Postage Currency "with a currency based on the issue of revenue stamps," at the suggestion of Secretary Chase. Such an issue would serve several purposes. It would disentangle the fractional currency from involvement with the Post Office both in the public's and official mind, and it would reaffirm the government position that paper currency was a means of raising revenue to prosecute the war effort. Of course, the idea was ultimately abandoned in favor of new legislation passed March 3, 1863, which provided for the issue of the Fractional Currency.

The Ayer connection is worth exploring. The Revenue Acts placed taxes on a wide variety of articles. In fact the greatest portion of Boutwell's time and energy in late summer and fall 1862 was formulating the schedules and determining rates for the various classes of goods. Manufacturers and merchants were in a real quandary over how much excise was to be exacted on the various items. Newspapers of the day are replete with numerous items listing the tax decisions of the Treasury agents. As one of the leading vendors of taxable articles, James Cook Ayer of Lowell, Massachusetts, was most interested in these proceedings. His factory turned out millions of bottles of sarsaparilla, boxes of pills and other remedies that were required to bear tax stamps. His mills produced enormous quantities of yard goods. He was already engaged in other far-flung aspects of his growing financial empire. Each check or other official document associated with one of his enterprises required still more revenue stamps. It meant a great deal of money to this merchant capitalist. His renown and financial standing alone would have gained him a hearing with Washington bureaucrats on these matters. But he had much more going for him.

Ayer was a close personal friend and Republican political ally of the very man whose job it was to implement the wide-ranging revenue laws. They were the same age and had many common interests. In prior years, Boutwell had represented the district in which Ayer lived in the Massachusetts legislature. In fact, when Boutwell eventually moved upstairs to the Secretary's job in Grant's Treasury Department, it was Ayer who vied for Boutwell's vacated U.S. congressional seat. Ayer's encased stamps were already in circulation. Is it so unreasonable an hypothesis that it was Ayer who interested Boutwell in Gault's stamp cases? We know from Boutwell's

THE PROPOSED STAMP AND MICA CURRENCY --

The Commissioner of Internal Revenue, after an examination of the mica and metal cases for revenue stamps, designed to facilitate their use as currency, is disposed to believe them well suited for the purpose intended, and sufficiently cheap to justify the Government in their adoption. They are but little larger than the nickel cent, and very clean and beautiful in appearance. The only question, except that of cheapness, is as to their durability, and even if the mica should occasionally break, the value of the stamp is not impaired for the use originally intended.

Washington, Oct. 17

NUMISMANIA RARE COINS

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Office: (908) 782-1635 Fax: (908) 782-6235

Jess Lipka, Proprietor

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NO DEAL TOO LARGE!

By fall 1862 Kirkpatrick & Gault were in high gear touting their small change substitute, as Editor Henry Raymond noted in his influential newspaper. *New York Times*, October 8, 1862, p. 2.

NEAT AND HANDY — Messrs. Kirkpatrick & Gault, of this City, have struck upon a plan for the assistance of our currency-mud stuck people which is most neat & handy. It consists of an ingenious fixed arrangement of stamps in a circular frame with a mica covering, which can be used without detriment to the stamp & with convenience by the people. The cost will be but a trifle above the par value of the stamp, & much less than that of silver change.

own testimony that he valued Ayer's opinions on public questions. Boutwell esteemed Ayer's industry and business acumen. Ayer was forthright and frank in making his ideas known. Boutwell recalled his friend's advice as "sound, frank, resolute and consistent."

However, an alternately strong case can be made for the patent office connection. Prior to his appointment as Commissioner of Internal Revenue, Boutwell had been a patent attorney with considerable experience. His familiarity with the patent system would have left him friends there and it would have been natural for him to be apprised of the new stamp case invention in his new official capacity. However, another notice in the press seems to offer testimony in this regard (see page 24). A remarkable article appeared in *Scientific American* on October 25, 1862. By 1862 Munn & Co. had acted as patent attorneys for more than 17,000 inventors, including John Gault on several occasions. Their influence was considerable and highly regarded at the Patent Office. Former Commissioner Joseph Holt, praised the company's energy and uncompromising fidelity in working in its clients' best interests. Its weekly periodical, *Scientific American*, was the publication of record in its field. According to an insider, "It not unfrequently (sic) happens that after having procured a patent for an inventor, he comes to them for advice as to the best plan to realize (make money from) it." Munn & Co. had influence with the Patent Office examining corps, the same source adds. We know Munn & Co. were assisting Gault with his artillery shell venture. We also know that he had enlisted their aid in connection with his encased stamp patent.

Of course, neither hypothesis is mutually exclusive. Other circumstances may also have contributed. At this very time Holt himself was in the process of evaluating Gault's partner William Barkalow's contracts with the government regarding importation of British rifles. He ultimately decided in Barkalow's favor and extended the terms of his contract with the government. A Gault family friend named Conant was one of the insiders at the Patent Office. Allegedly Gault gifted President Lincoln with a gold-plated set of encased stamps in the full range of values. Prominent Republican newspaper editors endorsed the proposal in their columns. Additional circumstances, not yet known, may have intervened.

New York City's Irving House hotel was likely John Gault's first customer to employ his encased postage stamps. The design of its advertising insert on the back of the encased stamp store card was patterned after its postage stamp envelope issued only weeks earlier.

IRVING HOUSE.
Broadway & Twelfth St.
ENTRANCE 45 TWELFTH STREET.
On the EUROPEAN PLAN.
GEO. W. HUNT, } Proprietors
CHAS. W. NASH, }
U.S. Postage Stamps.
10 CENTS.



Although such circumstantial evidence is not conclusive, what is clear from the range of press reports, however, is that for two weeks in October 1862, the Federal government was considering adopting John Gault's metal and mica emergency money. He could have indeed made a million dollars, as he later purportedly alleged. How close he may actually have been to achieving such patriotic and commercial success by having his patent currency become the primary circulating medium of the change-strapped country may never be known. Ultimately the very independent and assertive Boutwell KO'd the complicated scheme of printing stamps and then enclosing them in die struck brass and mineral containers for use as change. It is clear from Treasury records that he was ultimately and solely responsible for settling the issue. His boss' standing advice upon any inquiry from Boutwell was "decide for yourself." No matter what pressures were brought to bear on him from outside, the very independent-minded public servant knew his own mind on the matter. He considered himself an excellent judge of mechanics and invention. His long past experience had exposed him to the whims and caprice of inventors and had left him suitably able to judge the relative merits of such a proposal. Apparently he did and turned Gault down. Soon thereafter, Boutwell was elected to the U.S. House of Representatives, although he filled out his term at IRS until he took his seat in Congress March 3, 1863. At the top of the agenda: passage of the Fractional Currency bill. The United States embarked on a remedy of small fractional notes and die struck brass (bronze) and copper-nickel token coinage to solve its change woes. John Gault was out of the picture.

Is it any coincidence, then, that immediately Gault's advertisements began appearing in newspapers in New York City, Chicago and elsewhere? Encased stamps were still a good idea and a government remedy was months, even years off in getting control of the matter. The problem didn't go away just because a Washington official had acted. There was still money to be made for a bright, aggressive inventor named Gault.

After securing his patent, John Gault sought out clients for his "New Metallic Currency." Already ensconced in New York City promoting his artillery shells with his partner William V. Barkalow, he had no further to look than down Broadway to the elegant Irving House. The hotel had recently come under the new management of George W. Hunt and Charles W. Nash. The hotel's proprietors were well aware of the small change shortage. They were already circulating the small stamp envelopes in amounts of 10-cents (cf. page 26) and possibly other values as well. Gault, eager for a quick sale, demonstrated the superiority of his product sharing samples of his five- and ten-cent encased stamps with the merchants. He quickly struck a bargain with these progressive innkeepers who were trying to put their best feet forward in the competitive New York hotel trade. As Gault's first customer, the design of their unique advertising message was problematical. There was no precedent. They settled on a virtual copy of the message on their stamp envelopes: i.e. in descending order (1) the hotel's name, IRVING HOUSE; (2) its location, [NEW YORK] BROADWAY &



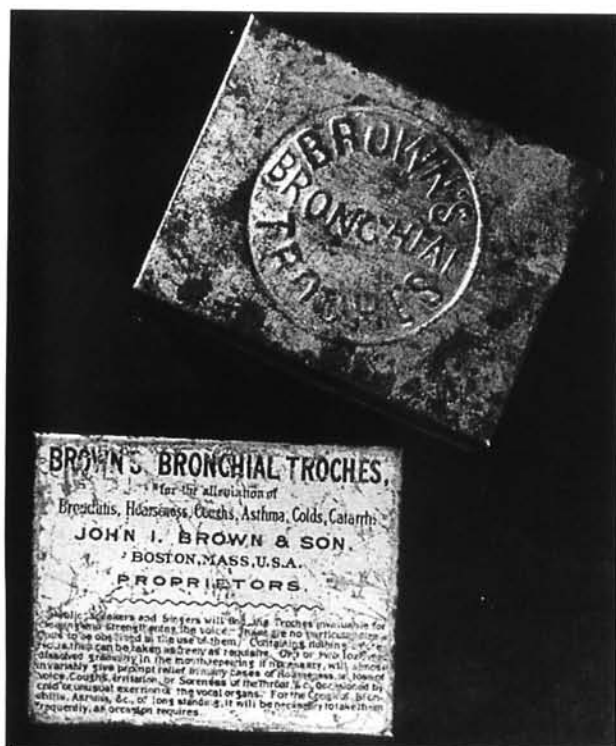
The curious small change makeshifts in circulation in spring 1863 were lampooned by Frank Leslie's *Illustrated Newspaper*. The original caption for the cartoon read: "This is all the change I could get -- I had to take these or nothing!" *Frank Leslie's Illustrated Newspaper*, March 21, 1863.

SMALL CURRENCY BILLS.—CORPORATIONS AND
merchants wishing to issue Small Currency Bills, will
be furnished with samples and estimates on addressing
Ferd. Mayer & Co., Lithographers and Engravers, 96 Fulton
Street, N. Y.

THE NEW METALLIC CURRENCY.—APPLICATIONS
for stamping business cards, on the new metallic cur-
rency, to be made to J. GAULT, patented, No. 1 Park Place,
New York.

TAX ON SILVER PLATE.—FAMILIES CAN HAVE
their silver plate (liable to tax) weighed at 1/4 our real-

John Gault placed ads in strategic news-
papers in the northeast and midwest
soliciting clients. *New York Herald*,
November 6, 1862, p. 8.



John I. Brown, a venerable Boston apothecary was also an early client of John Gault's. His advertising insert was patterned after his trademark design for his throat lozenges.

Self-explanatory, and a key notice of Gault's encased stamps by the press, the article below leaves little doubt how book dealer Norris in Chicago came to issue his encased stamps. "That New Currency," *Chicago Evening Journal*, November 21, 1862, p. 4. (Illinois State Library)

"THAT NEW CURRENCY."—The new currency manufactured in New York for Mr. Norris, the news-dealer, and brought out by him when he returned from his recent visit, meets with universal approbation. It is regular Government money, and is better in every respect than the new paper currency. Mr. Norris uses it as change at his news-rooms, 102 Madison street. By the way, there are great changes going on at 102—repainting, re-stocking, etc. This will make it one of the most attractive stores in town. We shall specify some of the leading features of the improvements hereafter.

DESERVES MENTION.—In a recent trip from Chicago to Detroit on the Michigan

12TH ST.; (3) its terms, EUROPEAN PLAN; and (4) its management, HUNT & NASH PROPT. The contents message about stamps and denomination was unnecessary (Gault's unique case took care of that), so the bottom third of the stamp case contains Gault's patent information. The design is unique in that Gault's information is presented in a type style

and size commensurate with the other legends on the piece. This was a real coup for Gault, and became a virtual advertising piece for the patent holder as well as for the proprietors of the hotel.

Hunt's and Nash's order was a large one, a thousand dollars. Gault raced to Waterbury to have the pieces struck. The order called for about 10,000 encased stamps, equally split between five- and ten-cent values. The cost to Hunt and Nash was \$750 face value for those stamps, \$200 for the cases at \$20/1000, and probably about \$10 die cutting charges. Gault also delivered a small number of pieces in the other values to round out the order. Scovill filled

the order with wrap around rims cut from the grooved button stock, and silvered just like Gault's pieces. These are the fairly common varieties collectors know today as Reed IH05RB and Reed IH10RB. These are the *only* encased stamps, other than Gault's initial, August output to be issued in quantity with the grooved (ribbed) wrap-around frames. The "New Metallic Currency" was an instant hit with the hotel's proprietors and clientele. They were proud to see their store cards in circulation – after all the next city business directory would not be out for nearly a year. After a time the initial amount was put into circulation, and Hunt and his partner placed a second order with Gault. The second order was for a like number of plain frame (Type B) pieces, but this time the hotel proprietors desired a wider assortment of face values for their stamp cards. The order was filled with significant numbers of three- and twelve-cent stamps and a smattering of the others, too, although the largest quantities were again the five- and ten-cent workhorse change-making values (Reed IH05 and Reed IH10).

Arguably, Gault could have sold additional merchants on the virtues of his New Metallic Currency prior to leaving New York City, however apparently he did not. His next customized pieces were for legendary Boston pharmacist John I. Brown. Once again, the parties borrowed the design for the encased stamp store card directly from an already created advertising piece which the merchant favored. Trademarks and trade styles were even then deemed very important in business, especially with literacy less than universal. So for Brown's order Gault delivered encased stamps patterned largely from the trade mark for his famous Bronchial Troches. As may be readily seen on the trademark reproduced on the box (above left), the sans serif lettering with the rolling BRONCHIAL is virtually identical to the style shown on his encased stamp advertisement above. The message is identical to the later. As happened when preparing the earlier Irving House piece, the letter cutter had difficulty positioning his message: FOR and AND are oddly out of place. The addition of Gault's patent information is largely an after-



OPPOSITE TREMONT HOUSE.
 Dr. L. has had fifteen years experience in his profession. Work done at Eastern prices. no7-dly

THE NEW POSTAGE STAMP CURRENCY.

Merchants wishing to have their Cards on the back of the New Currency should address

JOHN GALT, PATENTEE.
 No. 1 Park Place, New York.

The New Currency can be seen at the Journal Office. nos-dst

CLOTHING! CLOTHING!

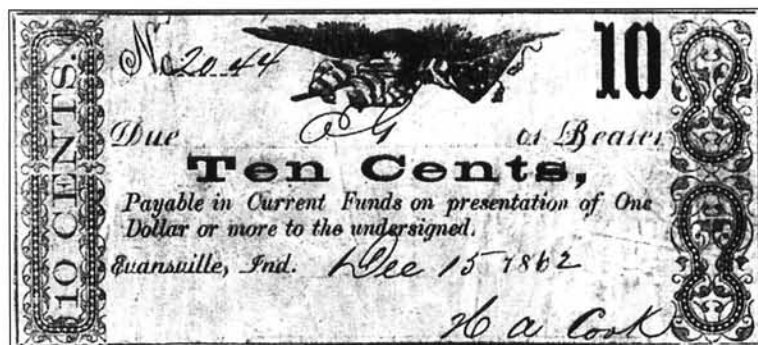
thought on the Type I (plain, without the 100+ raised balls around the border) merchant obverses. All wrap-arounds are plain (Type B).

The Brown order was a large one, probably in excess of 20,000 pieces in all. Unlike the new proprietors of the New York City hotel, the Boston pharmacist was already well known and his product was already universally familiar. Thus his order is more well-rounded than

Far left: John Galt's (sic) ad for additional clients appeared in the Chicago press in early November. Two additional Windy City merchants placed orders with him.

the Irving House order, meaning a more even distribution of denominations (i.e. Reed BT03, BT05 and BT10 are evenly distributed, with much smaller amounts of one- and twelve-cent values).

John Gault advertised his encased stamps in newspapers outside New York City and Boston, too. Eventually he also took orders from merchants in Lowell and Hopkinton, Massachusetts, Philadelphia, Cincinnati, Detroit, Milwaukee, Chicago and Peoria, Illinois; Evansville, Indiana, and even Montreal, Canada East (see *Paper Money*, Sept/Oct 2000, whole number 209). Some merchants were attracted by the ability to spread their commercial message on "virtual coin of the realm."



Two of John Gault's customers who also circulated scrip during the small change crisis were H.A. Cook of Evansville, IN and Arthur M. Claflin of Hopkinton, MA. Look for a specialized article on merchants who issued both Civil War storecards and scrip by David Gladfelter in a future issue of *Paper Money*.



Other clients of John Gault also turned to paper scrip and the ubiquitous copper and brass tokens which proliferated throughout the North during the war. Collections of these companion Civil War merchant storecards and scrip form a specialized field. My longtime friend and fellow SPMC member David Gladfelter is working on the definitive story about these historical emergency issues. Look for it in a future issue of *Paper Money*, when we return once again to this historic period in our past and its curious makeshift "money." ♦



WANTED!
T69 CSA 1864 \$5
NOTES
IN XF-UNC CONDITION

I collect these by signature variety and have over 100 different signature pairs so far. Please, therefore, send me either photocopies or scans of notes for my immediate offer.

WENDELL WOLKA

P.O. BOX 1211

GREENWOOD, IN 46142

e-mail: purduenut@aol.com



MONEY in the CIVIL WAR

AT THE OUTSET OF THE CIVIL WAR NEITHER THE FEDERAL NOR THE CONFEDERATE GOVERNMENT WAS FINANCIALLY ABLE TO WAGE WAR... AS A RESULT, MONEY WAS A TOP-PRIORITY PROBLEM!



THE FEDERAL GOVERNMENT, RELUCTANT TO LEVY ADDITIONAL TAXES, DECIDED TO FINANCE THE WAR WITH CUSTOMS COLLECTIONS AND THE SALE OF LONG-TERM TREASURY BONDS.

-BUT SECESSION HAD UNDERMINED CONFIDENCE IN THE GOVERNMENT, AND PEOPLE WERE RELUCTANT TO BUY BONDS!!

THE NATIONAL DISTRUST OF PAPER CURRENCY BROUGHT ABOUT WIDESPREAD HOARDING OF SPECIE SOON AFTER THE WAR BEGAN...



THIS HOARDING OF COIN FORCED THE SUSPENSION OF SPECIE REDEMPTION OF NOTES!

THE HARD MONEY SHORTAGE FORCED THE TREASURY SECRETARIES OF BOTH GOVERNMENTS, (SALMON P. CHASE FOR THE NORTH, AND C.G. MEMMINGER FOR THE SOUTH), TO ISSUE PAPER CURRENCY WITH NO BULLION OR SPECIE BACKING...



Memminger

Chase



WITH COINS VIRTUALLY OUT OF CIRCULATION, AND PAPER MONEY TAKING THE PLACE OF SPECIE, MAKING CHANGE WAS A PROBLEM. MANY PEOPLE SOLVED THIS SIMPLY BY CUTTING DEMAND NOTES AND GREENBACKS INTO FRACTIONS!



POSTAGE STAMPS ("EN-CASED" IN BRASS FOR PERMANENCE) ALSO WERE USED FOR SMALL CHANGE. FINALLY, THE GOVERNMENT ISSUED FRACTIONAL CURRENCY!



BECAUSE OF LACK OF BULLION, COINAGE IN THE SOUTH WAS ALMOST NONEXISTENT. TWELVE PENNIES WERE STRUCK, AND ONLY FOUR HALF DOLLARS ARE KNOWN TO HAVE BEEN MINTED. THIS WAS THE TOTAL CONFEDERATE COINAGE DURING THE WAR!



BUT, WITH ALL THE MONEY SHORTAGE AND VALUE FLUCTUATIONS, NOBODY FELT THE PINCH MORE THAN THE SOLDIER... HIS \$11 PER MONTH—WHEN HE GOT IT—HARDLY KEPT HIM IN TOBACCO!

Who Are These Guys?

By Steve Whitfield and Ron Horstman
(with Research Assistance of Eric Newman)

HAVING LIVED NEAR THE KANSAS MISSOURI BORDER for many years, I have long been aware of the border warfare that occurred before and during the Civil War in that area. Southern guerillas and Northern "Redlegs" murdered, pillaged and burned for years during, and after, the war. Being a paper money collector, it was always interesting to me that the State of Missouri had both Union and Confederate governments and both had issued currency. Many of these notes depict military officers or politicians of the period. Only a couple of these portraits have been positively identified and much of the published information was incorrect.

Several years ago I discussed this issue with Ron Horstman and we decided to collaborate to improve the historical record. Using Ron's collection, some historical information obtained from Eric Newman, a Missouri history, auction catalogs, Slabaugh's *Confederate States Paper Money* (Ninth Edition), and an internet website on Civil War generals, some progress and a few positive identifications were made. Regrettably there are still questions about the identity of some of these men. Hopefully, someone who sees this article will recognize them and report through this journal.

In 1860, Missouri was one of the critical border states upon which the Union depended to tilt the balance of power in the pending Civil War. The elected governor, Claiborne Jackson, was pro-secession and supportive of the Confederate cause. President Lincoln had some staunch Missouri allies in the state and in his Cabinet. Through the influence of Frank Blair, brother of the U.S. Postmaster General, the St. Louis Arsenal was seized by the pro-Union forces. Nathaniel Lyon, who became a Union General, was placed in charge of the arsenal. A referendum of Missouri voters on secession had indicated that the citizens wished to remain neutral. This was a blow to the southern faction. Jackson and members of his cabinet retreated to Neosho in the southwestern corner of Missouri, and drew up a secession proclamation. Missouri was actually admitted to the Confederacy in November, 1861.

Meanwhile, the rest of the state government appointed Hamilton Gamble as acting governor, and he established the Union State government of Missouri at Jefferson City. Both state governments issued scrip to pay their obligations. Although the border conflict lasted throughout the war, Missouri was a loyal Union State. It sent more than 100,000 men off to fight for the Union Army. In addition, more than 30,000 men volunteered for and served in the Confederate Army.

The Confederate Issue of Jan. 1, 1862



1. \$1. The central illustration depicts **Jefferson Davis**, Confederate President.
2. \$2. No portrait, *Farmer Plowing* at center.



3. \$3. Illustration of "Confederate Governor," **Claiborne F. Jackson**.
These notes were produced by A. Malus, Eng., New Orleans. They were manufactured on several varieties of colored paper.
4. \$5. No portrait, *Commerce* vignette center.
5. \$10. No portrait, *Ceres* at center.
6. \$20. No Portrait, *Flying Woman* with trumpet, center.
The larger denominations exist on different colored paper, both with and without the engraver's name. These notes are common and readily available.

Missouri Defence (sic) Bonds (Confederate)

7. \$1. No Portrait, *Cattle* at center.
8. \$3. No Portrait, *Flying Woman* with cape at center.
9. \$4. No Portrait, *Steamboats* upper left.



10. \$4.50 No Portrait; *Ceres, Commerce and Navigation* left.

Requisitions for Missouri Defence (sic) Bonds

11. \$20. No Portrait, small *Steamboat* center.
 12. \$50. No Portrait, *Slaves Picking Cotton*, upper right.
 13. \$100. Portrait of **Jefferson Davis** center. Printed by Keatinge & Ball, Columbia, S.C. and readily available.

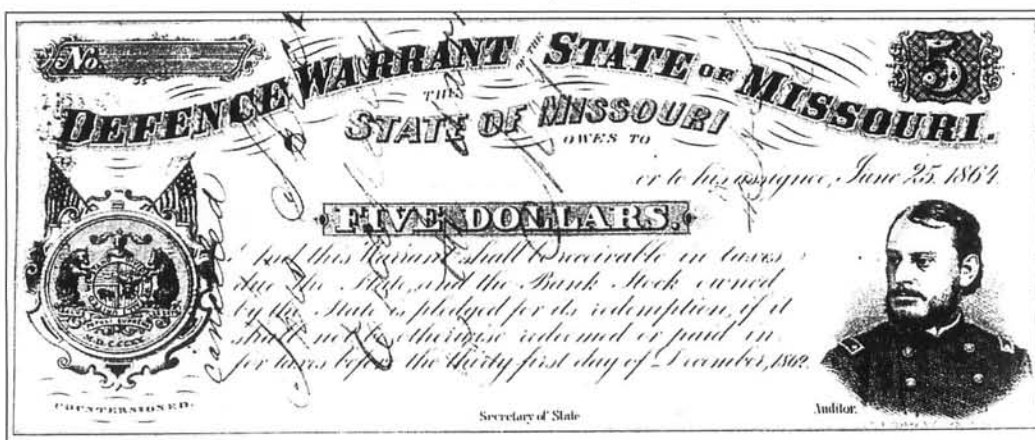
Defence (sic) Warrants

(Union Government)

14. \$10. No Portrait, *Girl* at right.
 15. \$10. Similar to #14. Above; different top inscription
 Printed by A. McLean, Lith., St. Louis

Defence (sic) Warrants

(Union)

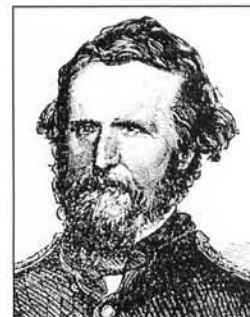


16. \$5. Portrait of **General Robert Allen** right. Slabaugh and others identified Allen and I believe they are correct. Robert Allen was born March 15, 1811, at West Point, Ohio. He graduated from West Point Military Academy in 1836. During the Civil War he served as Chief Quartermaster in the Dept of Missouri. Later he became Quartermaster for the Mississippi Valley, and then for all areas west of the river. He retired from the Army in 1878 and died at Geneva, Switzerland, August 5, 1886. Agree that this is General Robert Allen.



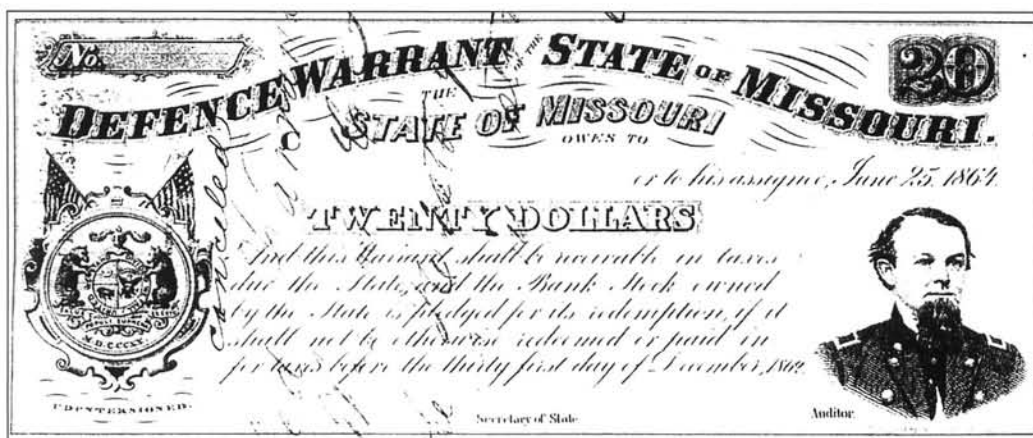
17. \$10. Portrait of **General Joseph Bailey** at right. Again, this is Slabaugh's identification, and possibly others. The portrait looks like Bailey, but I am not absolutely certain. Joe Bailey was born May 6, 1825, near

Pennsville, Ohio. Before the war he was a "lumberman." During the Civil War, he served as Chief Engineer of Franklin's XIX Corps and was credited with "saving the fleet" in the Red River Campaign; for which he received the "Thanks of Congress." He became a Brigadier General in 1864. After the war he became a sheriff in Missouri, and was killed by bushwhackers on March 21, 1867, near Nevada, Missouri. Tentatively identified as General Joe Bailey, pending further evidence.



Ron Horstman believes this portrait is supposed to be of **General Nathaniel Lyon**. It does not look like him to me, although Lyon is a good candidate to appear on a Missouri Union note because of the role he played at the beginning of the war. He graduated from the U.S. Military Academy in 1841 and served in the Seminole and Mexican Wars. He then served at various posts, including Fort Riley, * before being assigned to the U.S. Arsenal at St. Louis in 1861. He and Francis Blair were instrumental in keeping Missouri in the Union. Lyon led the Union forces at the Battle of Wilson's Creek in 1861, where he became the first general officer to be killed in the war. He is buried at Phoenixville, Connecticut.

***Personal note:** Lyon was the first Post Engineer at Fort Riley in 1854, a position the co-author (Whitfield) would hold in the 1980s.

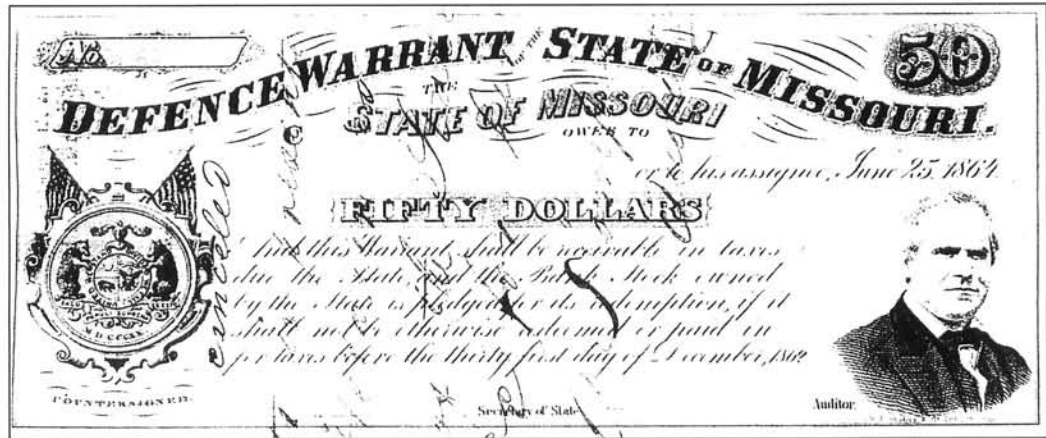


18. \$20. Portrait of **General John Pope** at right. Slabaugh listed him as John "Polk." Since there was no Union General named Polk, it is assumed to be a typo. Again, this could be Pope as it looks something like him, and Pope had an association with Missouri during the war. John Pope was born March 16, 1822, at Louisville, Kentucky. He graduated from West Point in 1842, and served in the Mexican War. In May, 1861, he was

appointed Brigadier General in charge of Volunteers and commanded various Districts in Missouri. He went on to capture New Madrid and Island Number 10. He also commanded the Army of Virginia at Second Bull Run. The military web site says "Pope was an unpleasant and unpopular commander." He retired in 1886, and died September 23, 1892, at Sandusky, Ohio. Again we shall tentatively identify the portrait as that of Union General John Pope, pending further evidence.



A youthful portrait of cadet Willard Preble Hall



19. \$50. Portrait of **Lt. Governor Willard Preble Hall**. Willard Hall was born in Harpers Ferry, now West Virginia, on May 9, 1820. He served as U.S. Representative from Missouri from 1847 to 1853. Hall became Lt. Governor of the Union State government in 1861, and acting Governor when Governor Gamble died in January, 1864. He served as Governor until the election and seating of Governor Thomas Fletcher in 1864/1865. Willard Hall died at St. Joseph, Missouri in 1882. A portrait of Willard Hall at the Missouri Historical Society in St. Louis positively confirms his identity on this note.

The notes above were printed, four to a sheet, by the R.P. Studley Co., Lith, St. Louis. A souvenir sheet was presented to Governor Thomas C. Fletcher, who replaced Governor Hall in 1865. The sheet with the inscription to Governor Fletcher appeared in the Dr. Joseph Vacca Collection Sale in 1981. These notes are very rare.

Union Military Bonds

Union Military Bonds were first issued in 1863. Two additional issues, with the same design and a new \$50 denomination, were produced in 1865 and 1866. Engraved and printed by the American Bank Note Co., Philadelphia, these notes have great portraits included in their designs.

Background:

March 9, 1863: \$3,000,000 in one year Union Military Bonds were authorized by the Legislature to pay the enrolled Missouri Militia. The bonds were to pay 6% interest and be issued in denominations of \$1, \$3, \$5, \$10, and \$20. They were to be produced on bank note paper of the usual bank note size. The Treasurer and Auditor were to select devices for the bonds to prevent counterfeiting. The Secretary of State and the Auditor were to sign the bonds. Counterfeiting was punishable the same as for bank notes, and the bonds were to be receivable by banks, savings institutions and other corporations.

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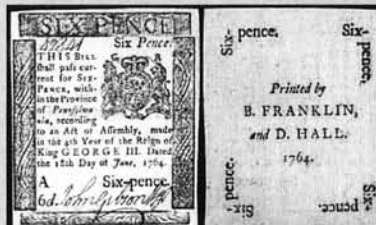
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LEGAL TENDER NOTE REALIZED \$4,370

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- March 21, 1863:** A joint resolution allowed up to \$500 to the Secretary of State and the Auditor of Public Accounts for signing, numbering and registering Union Military Bonds.
- July 1, 1863:** "Every Paymaster paying the Militia shall write his name and office on every Defence (sic) Warrant or Union Military Bond before he pays it out." None shall be redeemed without such endorsement.
- December 19, 1863:** Redemption of Union Military Bonds shall be at the Bank of the State of Missouri at St. Louis in the order of their issue. Collectors of revenue were authorized to receive half of Missouri state taxes for 1864 and years prior in Union Military Bonds.
- February 13, 1864:** By joint resolution the Governor shall appoint a committee to count and destroy Union Military Bonds in the hands of the Treasurer. And on February 15, 1864, Collectors of Revenue were authorized to receive all delinquent state taxes in Union Military Bonds.
- February 15, 1865:** Union Military Bonds shall be paid with interest out of the Union Military Fund.
- February 20, 1865:** "Union Military Bonds, up to \$2,000,000 in denominations of \$1, \$3, \$5, \$10, \$20, and \$50 (new denomination) shall be issued to pay the enrolled Militia within one year with 6% interest out of the Union Military Fund." Pretty much the same as the 1863 resolution except that "February, 1865" shall be inserted instead of "March, 1863." The bonds shall not be issued if the U.S. Congress passes an appropriation for state military expenses.
- February 20, 1865:** Any collector of revenue who shall purchase Union Military Bonds at a discount shall be punished.
- April 8, 1865:** The taxes, fines and captured property proceeds for the Union Military Fund shall be used to pay outstanding Union Military Bonds and those thereafter issued.
- December 20, 1865:** "Union Military Bonds, not to exceed \$1,400,000 are to be issued to make payments due the enrolled Missouri Militia, etc., in accordance with the February 20, 1865 Act." A further tax of three-tenths of 1% is levied to be put into the Union Military Fund. This tax may be paid in Union Military Bonds.
- March 5, 1866:** By resolution, the Union Military Bonds authorized by the December 20, 1865, Act shall be printed from the same plates as those used for the Union Military Bonds authorized by the February 20, 1865, Act; with the names of the Secretary of State and Auditor engraved and printed thereon.
- March 13, 1867:** A committee was appointed to count, record and burn all Defence (sic) Warrants, Union Military Bonds of the 1863, 1865 and 1866 issues and all wolf scalp certificates. The committee was to stamp all Auditor's Warrants as "cancelled."
- February 15, 1870:** The order in which Union Military Bonds are to be paid out of the Union Military Fund is specified. Those bonds not presented for payment by February 1, 1871, shall be barred.
- March 28, 1874:** Many Union Defence (sic) Bonds and Warrants, which were barred by failure to be presented for redemption, were approved for payment with interest for three years. The Auditor was to record the denominations and date of issue, and to write the word "Paid" across the face, and cancel them.

Portraits on these notes are of prominent Missouri politicians, who supported the Union cause.



20. \$1 Bond. Portrait of **John Smith Phelps** at upper left; vignette of *Liberty* at right. Slabaugh thought this may have been General Nathaniel Lyon and the Kansas State Historical Society, in 1886, incorrectly identified the portrait as William S. Mosely, State Auditor. There is no doubt that this is actually John S. Phelps. John Smith Phelps was born December 22, 1814, at Simsbury, Connecticut. He moved to Springfield, MO, in 1837. Phelps later became a lawyer and U.S. Congressman (1845-1863) and served as Governor of Missouri from 1877 to 1881. During the war he recruited a Regiment of Missouri Infantry, fought at the Battle of Pea Ridge, and later served as military governor of Arkansas. He died November 20, 1886, at St. Louis. Positive identification.



21. \$3 Union Military Bond (1863, 1865, 1866) Portrait of **Benjamin Gratz Brown**. Brown was born on May 28, 1826, and died December 13, 1885. He was a cousin of Francis Blair, who appears on the \$10 bond. Benjamin Brown served as state representative from 1852-1858, and was elected U.S. Senator from Missouri in 1862, serving from 1863 until 1867. He was the Democratic candidate for Vice President in 1872 with Horace Greeley. Brown was a strict "Unionist." He also served as State Governor from 1871 to 1873. Benjamin Brown took an active part in preventing Missouri from seceding in 1861. Positive identification.

For some time the \$3 Union Bond portrait was thought to be that of General Franz Sigel. While this engraved picture of Sigel bears some resemblance to the portrait on the note, Sigel's actual photograph shows significantly differing facial features. In addition the note portrait is of a man in civilian clothing rather than military uniform. Franz Sigel was born November 18,



General Franz Sigel, a native of Germany and adopted St. Louisan. Survived many Civil War battles, and became a newspaperman and civic leader after Lee's surrender. (Courtesy State Historical Society)



1824, in Baden, Germany. He was an officer in the German Army before coming to America as a teacher. In 1861 he became Colonel of the 3rd Missouri Regiment. Sigel commanded the 4th Brigade of the Army of Southwest Missouri at Wilson's Creek, and was also at Pea Ridge and Second Bull Run. He was removed from field duty and resigned in May, 1865. After the war he became a journalist and died August 21, 1902, at New York City.



22. \$5 Union Military Bond (1863, 1865, 1866) Portrait of **Edward Bates**, Attorney General in Lincoln's Cabinet. Hunting scene at upper left. Fred Marckhoff wrote an article for *Paper Money*, many years ago, identifying Bates' portrait on this note. Bates was born in Virginia in 1793. He went to St. Louis in 1813 or 1814 to study law. He became Attorney General of Missouri in 1820, and a member of the legislature in 1822. He was appointed Secretary of War by President Millard Fillmore in 1850, but declined the office. Bates ran for President in 1860, but withdrew to support Abraham Lincoln. Lincoln made him Attorney General, where he served until he resigned in 1864. He is best remembered for defending Lincoln's "Writ of Habeas Corpus" during the war and for successfully defending the naval blockade of the South before the U.S. Supreme Court. He later had a falling out with President Lincoln and returned to Missouri, where he died March 25, 1869. No doubt that this is a portrait of Bates as he is clearly identified on a proof owned by Ron Horstman and it also matches other portraits identifying him.

5th Annual George Wait Memorial Prize \$500 Grant Beckons

Deadline for the 5th annual George W. Wait Memorial Prize is fast approaching. This grant is available annually to assist researchers engaged in important research leading to publication of book length works in the paper money field.

George W. Wait, a founder and former SPMC President, was instrumental in launching the Society's successful publishing program. The George W. Wait Memorial Prize is established to memorialize his achievements/contributions to this field in perpetuity.

Three individuals have thus far been awarded the Wait Memorial Prize. Each received the maximum award. Winners of previous Wait grants have been Robert S. Neale, Forrest Daniel and Gene Hessler.

Complete rules were published in the Nov/Dec issue of the journal, and are available at the SPMC web site www.spmc.org. Entries must be received by March 15, 2005. Address entries to George W. Wait Memorial Prize, P.O. Box 793941, Dallas, TX 75379. ♦

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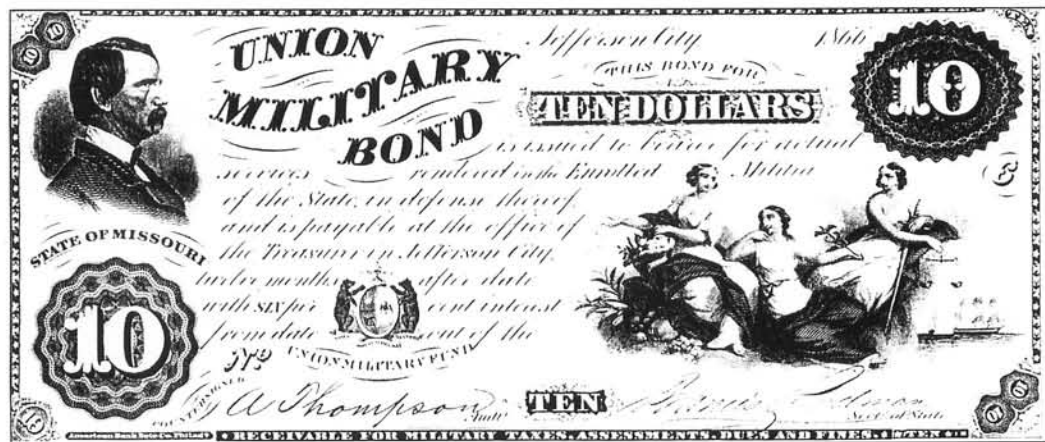
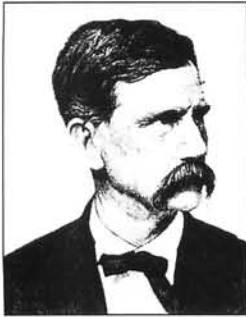
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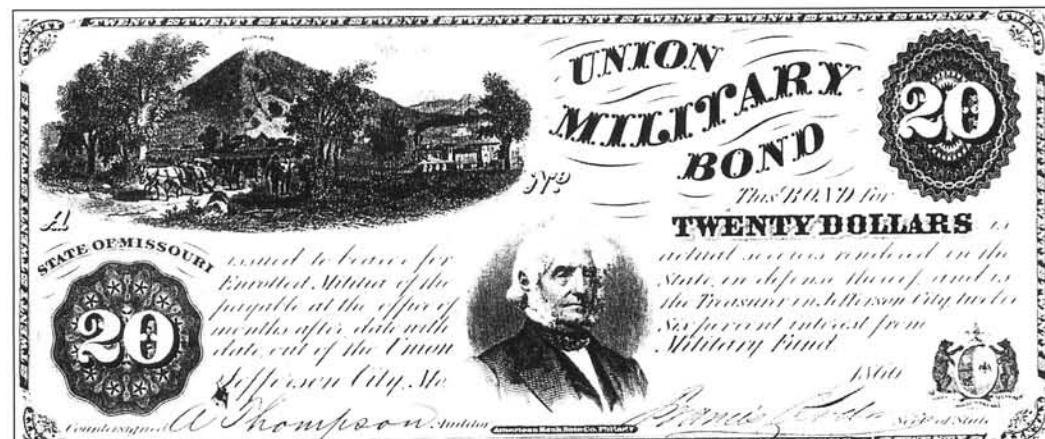
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23. \$10 Union Military Bond (1863, 1865, 1866) Portrait of **General Francis P. Blair Jr.** An article in the September, 1962 issue of *The Numismatist*, identified General Francis Preston Blair, Jr. on this note. He was born in Kentucky in 1821 and graduated from Princeton to practice law. Frank Blair fought in the Mexican War as a private and then got into politics. He founded the Free Soil Society of Missouri in 1848, and served as a Congressman for Missouri from 1856-1858 and 1860-1862. Blair was instrumental in retaining the Camp Jackson Armory in St. Louis for the Union and in arming General Nathaniel Lyons' forces to safeguard the city. Blair then raised volunteer regiments for the Union before entering military service himself. He became a general officer in 1862, and commanded troops in Georgia and Tennessee campaigns. Frank Blair returned to law practice after the war and unsuccessfully ran for the Vice Presidency in 1868. He was elected to the Senate in 1871, but was not re-elected in 1873, and died in 1875. This portrait is definitely General Francis P. Blair Jr.



24. \$20 Union Military Bond (1863, 1865, 1866) Pilot Knob, MO, at the upper left and portrait of Governor **Hamilton R. Gamble** at lower center. When Confederate leaning Governor Claiborne Jackson abandoned the State House at Jefferson City in 1861, Hamilton Gamble was appointed State Governor. Gamble was born November 29, 1798. He served as the Civil War Governor of Missouri from 1861 until his death on January 31, 1864. Ron Horstman has a proof that identifies Gamble, and the note portrait matches other portraits of Governor Gamble. This image is positively identified as Hamilton R. Gamble,

25. \$50 Union Military Bond (1865, 1866?) Unknown. This denomination was added by Legislation on February 20, 1865, when Union Military Bonds were reauthorized. No one seems to have ever seen one, so no information is available. There are many individuals associated with Civil War Missouri history who would be appropriate candidates for having a portrait on the \$50 note. We will have to wait until one of these notes surfaces before attempting to identify any portrait that appears thereon. If anyone knows anything about this note please contact one of the authors. Union Military Bonds were heavily redeemed and are very scarce today.

War Claim Certificates (1874)

These Certificates were authorized by an Act of the Legislature dated May 19, 1874. They were used as temporary payments for military service until claims with the federal government could be settled. Their denominations are handwritten. Readily available to collectors, they are considered as Civil War currency, issued in Missouri by the state government. No portraits appear on these certificates.

Note: Persons having additional information which would aid in the identification of these portraits are encouraged to contain either co-author

Steve Whitfield
879 Stillwater Ct.
Weston, FL 33327

Ron Horstman
5010 Timber Lane
Gerald, MO 63037



New CD compiles Thian info in searchable format

A NEW COMPACT DISK CONTAINS THE 1,106-page extract of all the financial discussions and legislation from the larger Confederate *Congressional Record*, according to co-compiler George Tremmel.

The official title is *Extracts from the Journals of the Provisional Congress and the First and Second Congresses of the Confederate States of America on Legislation Affecting Finance, Revenue and Commerce 1861 - '65*. This extract was compiled by Raphael Thian in 1880, the same time he compiled the four-volume *Confederate Treasury Correspondence and Reports*.

The CD has a number of special features to make it easy to use. These include key word searching capability, a fully linked index (click on a page number in the index and the selected page is brought up) and a four-level bookmark layout, Tremmel said.

As with the earlier *Treasury Correspondence* CD, also released by Tremmel and his partner computer guru Tom Carson, the new CD will be readable by an included version of Adobe 6.0.

Formatting and digital conversion of the master CD's contents are complete. "Pricing and availability will be determined soon. I'll update *Paper Money* readers when the information is available," Tremmel added. ❖

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The Private Issue Notes of Keatinge & Ball

By Brent Hughes

MOST COLLECTORS OF PAPER MONEY ARE AWARE that the American Civil War brought about the creation of an enormous number of notes. Shoppers and merchants showed great ingenuity in devising all kinds of paper items in an effort to provide a medium of exchange.

For the first time in its history, the United States government was forced to issue paper money. Under difficult conditions, the Union government provided its citizens with "paper change" called Fractional Currency and large-size notes in denominations from one dollar upward. In a relatively short time, the U. S. "greenback" became the currency of choice, even in the South.

In the Confederacy, however, things did not go as well. High level officials believed that the war would last only 90 days after which the Union would allow the Confederacy to go its way as a separate nation. But when Abraham Lincoln refused to even recognize the Confederacy as a legitimate government, saying that they were only a few states "in temporary rebellion," it was obvious to most people that the South faced an uphill battle.

The notoriously incompetent Confederate Congress refused to pass meaningful tax legislation and appeared to believe that the war could be financed by emissions of more and more paper money backed by nothing more than the hope of eventual redemption. International bankers would have no part of such recklessness and Confederate notes soon began their relentless slide toward worthlessness. Without the financial resources to fight the war, the Confederacy was doomed. Unquestioned valor on the battlefield was no substitute for money to purchase rifles and ammunition.

Today of course the collecting and study of Confederate currency is a major hobby. If we include the notes issued by the individual states, counties and towns, we find ourselves examining thousands of different designs. As a result, most collectors specialize, with the majority trying to assemble a type set of the notes issued by the central government, a difficult task in today's market.

The purpose of most notes of this era is obvious -- in one way or another they served as a medium of exchange. But three notes in my collection did not fit the common mold. So far as I could find from available guidebooks, they had no logical reason to exist. They were engraved, printed and issued by a paper money contractor of the Confederate Treasury Department at a time when the company was also producing currency for the government.

Editor's note: When the author, a charter member of SPMC, passed away a number of his articles on hand were permitted to be published posthumously in his honor by special arrangement with his widow and son.

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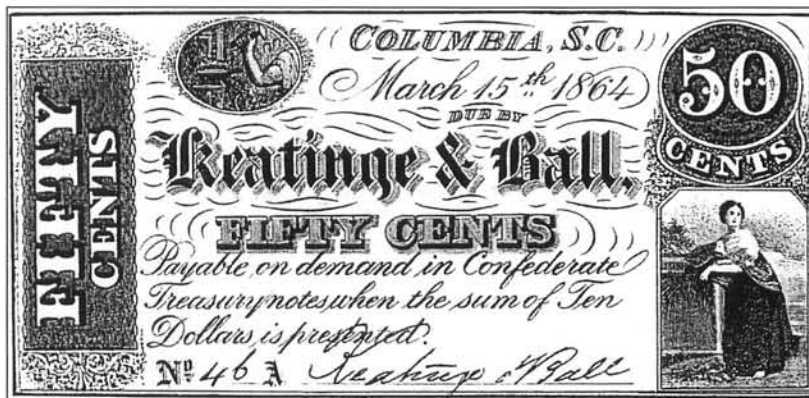
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- Why would the Confederacy allow them to do this?
- How many were issued, and why did so many survive?
- Why could I not locate an Uncirculated specimen?

These notes were a mystery which I pondered for many years. Finally, in frustration, I organized my questions and sent them to noted Confederate finance scholar Dr. Douglas Ball. As I expected, he came back with the answers.

The problem went back to the aforementioned Confederate Congress which had authorized the emission of millions of Confederate notes. Treasury Secretary Christopher Memminger repeatedly told the Congress about the dangers of runaway inflation. In late 1862, the Congress enacted three measures aimed at reducing the amount of paper money in circulation. Through various means, citizens were asked to exchange their paper money for long-

50 cents Keatinge & Ball issue. Blacksmith arm and tools at upper left. Female at right. Black on tan paper. Back is blank. Engraved date: March 15, 1864. Serial letter A. Written serial number. Written signature-like inscription at bottom edge: "Keatinge & Ball." Note: Sheheen 932 is number 70.



term interest-bearing bonds. The public greeted such proposals with very little enthusiasm, so the government sought other remedies to solve the crisis.

There followed a tedious assortment of financial remedies involving variable interest rates which are explained in great detail by Richard Cecil Todd in his book *Confederate Finance*, an excellent work.

Memminger's report to the Congress on January 10, 1863, frankly admitted that the situation was grave. People simply wanted no part of bonds. Instead they tried to buy goods as quickly as possible before their notes depreciated further.

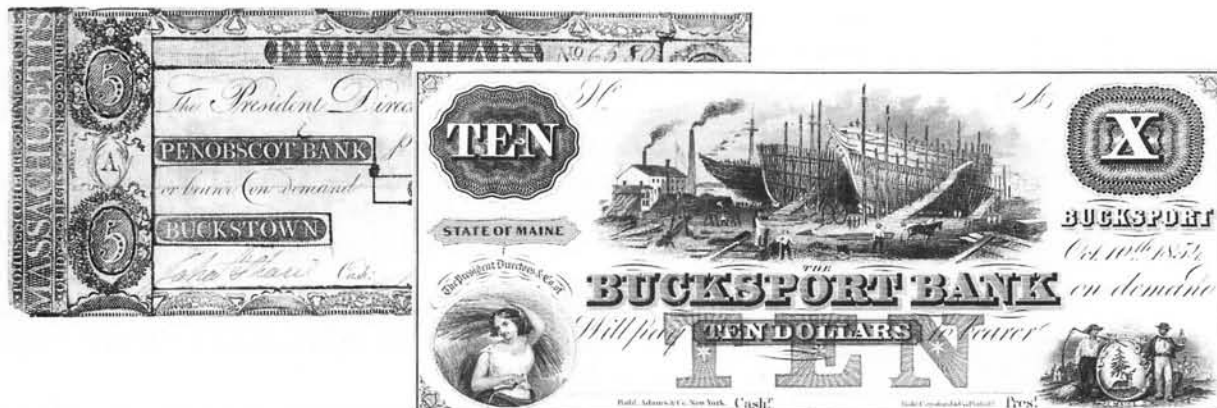
When the Congress convened for the 1863-1864 session, it learned from Memminger that the much-dreaded moment of truth had arrived. There were now more than seven hundred million dollars in Treasury notes in circulation and five hundred million needed to be withdrawn quickly. He proposed a drastic plan.

After April 1, 1864, in states east of the Mississippi River, or July 1, 1864, in states west of the river, "old issue notes" would no longer be accepted. Citizens then had six months in which to exchange their notes for bonds; after that period their notes would be worthless. This startling proposal aroused vocal opposition from many areas such as North Carolina where the people had long since lost confidence in the Richmond government. They talked of seceding from the Confederacy and going it alone as a separate nation.

Finally, on February 17, 1864, the Congress passed a comprehensive funding measure entitled "An Act to reduce the currency and to authorize a new issue of notes and bonds." In basic terms, the new law compelled citizens to either exchange their paper money for bonds or turn in three dollars in old issue notes in return for two dollars in the new issue notes. Issue of old notes would cease on April 1, 1864.

There was a rush by the public to avoid being stuck with worthless currency and prices in the marketplace continued to rise. Nor was there any escape for bank depositors. The institutions advised their customers to close

I love obsolete currency!



Did you know that the Penobscot Bank of Buckstown, Massachusetts, was in the same town as the Bucksport Bank of Bucksport, Maine? In 1820 this part of Massachusetts became the state of Maine, and to make matters more interesting, at an early time the name of Buckstown was changed to Bucksport. I love Maine notes and have spent a lot of time studying their history. If you have some Maine obsoletes, give me a try! Also see other "stuff" I need, mentioned below.

First of all: I am continuing my deep involvement in paper money issued by banks in New Hampshire, including state-chartered banks 1792-1865 and national banks circa 1863-1935. I am eager to buy anything that I do not presently own. Realizing that the market for such is enthusiastic and active, and that many notes are scarce, I am prepared to pay current market value. I will give an immediate decision on all items sent, and will pay instantly for all items purchased. Most dealers who belong to SPMC already know this. If you have not yet sold to me, I invite you to do so!

I am an eager buyer of lots of other paper money as well, but strictly obsoletes (not nationals). Maine and Vermont notes are a super-specialty, and I am eager to buy anything I don't have—which includes most of the Rarity-7 issues listed by Coulter (Vermont) and Wait (Maine).

Try me also on any obsoletes you may have with the imprint of W.L. Ormsby or his New York Bank Note Co. Perkins bills, including those imprinted Patent Stereotype Steel Plate, are an absorbing interest, and I probably have less than 10% of the varieties listed by Haxby. For these, which often come in low grades, I require readable signatures (unless they are proofs or remainders). I like specimen books and proof sheets, too—any bank note company, from Abner Reed down to the Continental Bank Note Co., from early to late.

I have been a major buyer (through representatives) at every leading paper money sale in the past year that features obsoletes and nationals, including the Schingoethe sale (great stuff there!). I have a check waiting for you, too!

Beyond the above, with co-author David M. Sundman and in cooperation with a special scrip note project by Kevin Lafond, Dave Sundman and I are busy with historical research. We are anticipating the production of a book-length study on the subject, containing all you wanted to know about New Hampshire currency, plus a lot of things you never thought about—including illustrations with people, buildings, bank archives, and more. If you have information of this type to share, please let me know.

Dave Bowers

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their accounts by April 1, 1864, or the value of their deposits would automatically be reduced by one-third. We can well imagine the consternation that this announcement caused in many wealthy and influential families.

As the situation continued to deteriorate, it became obvious that Memminger's plan had failed. The Congress, as such bodies often do, looked around for someone to blame and settled on Memminger. The Secretary heard about the plans to oust him and quietly resigned on June 15, 1864. He was succeeded by brilliant financier George A. Trenholm who knew that it was far too late to save the doomed Confederacy, but felt compelled to try.

The forced funding legislation is explained in great detail by Dr. Douglas Ball in his book *Financial Failure and Confederate Defeat*, pages 179 to 189. For an in-depth analysis of the financial tribulations of the Confederate government, this book is without equal.

Dr. Ball points out that the old notes continued to circulate in such numbers that by the Act of December 30, 1864, the Congress was forced to extend the penalty date to July 1, 1865.

Meanwhile, the Treasury Note Bureau in Columbia, S.C. had been busy supervising the paper money contractors as they turned out more and more

\$1 Keatinge & Ball issue. Female representing Ceres, Goddess of the Harvest at left. Black on tan paper. Back is blank. Engraved date: March 15, 1864. Serial letter A. Written serial number. Written signature-like inscription at bottom edge: "Keatinge & Ball." Note: Sheheen 933 is number 32.



currency. Originally there had been four contractors in Columbia: Keatinge & Ball, Evans & Cogswell, Blanton Duncan and Dr. J. T. Paterson. Hoyer & Ludwig had declined to move from Richmond.

Eventually Blanton Duncan had been sent packing because of repeated violations of Treasury regulations, and Dr. Paterson had become involved in a bitter dispute with Memminger which caused him to lose his government contract. Left now were Evans & Cogswell, which seemed to operate above the fray, and Keatinge & Ball, headed by master engraver Edward Keatinge, a British subject.

It was the latter firm that left an interesting legacy for modern collectors. Not many details have survived, but we know that at some point in late 1863 or early 1864, Keatinge learned about the government's plan to institute its forced funding which would make the old issue notes worthless on April 1, 1864. To get around this problem and insure that his employees would be paid in notes not subject to the penalty, Keatinge designed, printed and issued his own notes in denominations of fifty cents, one dollar and two dollars.

Dr. Ball told me that Keatinge did not need Treasury Department authorization to issue his own notes because he plainly stated on his notes that they were "payable on demand in Confederate Treasury notes when the sum of Ten Dollars is presented."

The notes bore the prominent printed date of March 15, 1864, later than the dates printed on any of the old issue Confederate notes. If the situation required it, Keatinge evidently felt that he could pay his employees as well as the slave owners (each printing press required a printer and two slave helpers)

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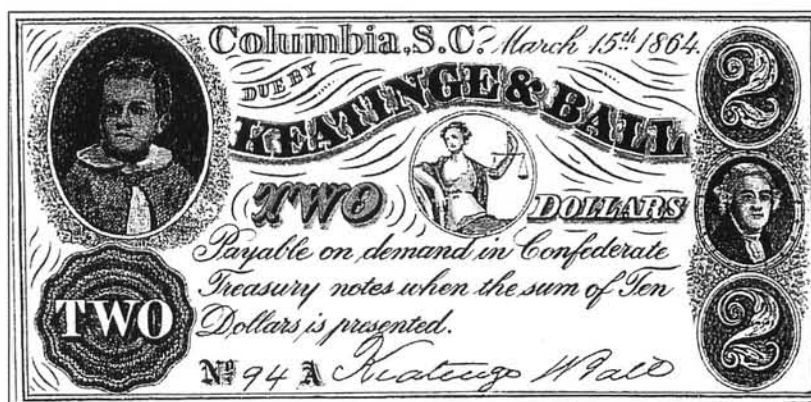
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with notes that retained their value. Of interest is the fact that all of the issued notes bore the written inscription "Keatinge & Ball" rather than the autograph of Keatinge or one of his assistants. At first glance the inscription appears to be a signature, the traditional hallmark of Confederate notes and the private banknotes issued before them.

It appears that Keatinge & Ball notes were issued for only a short time. There is no doubt that they were accepted and circulated. However, Confederate notes of the February 17, 1864, issue (the new issue) were soon available in denominations from fifty cents to five hundred dollars, so the company had no further need to issue its own notes.

Dr. Ball estimates that less than \$500 worth of Keatinge & Ball notes were issued which accounts for the low serial numbers usually seen. He believes that Keatinge may have redeemed all the notes returned to him and kept them in his files which were plundered by Sherman's troops or others when Columbia was essentially destroyed in February of 1865. Union soldiers liked to send such notes to their relatives as souvenirs of their great adventure.

\$2 Keatinge & Ball issue. Portrait of boy at upper left. Figure representing Justice at center. Portrait of Thomas Jefferson at right. Black on tan paper. Back is blank. Engraved date: March 15, 1864. Serial letter A. Written serial number. Written signature-like inscription at bottom edge: "Keatinge & Ball." Note: Sheheen 934 is number 70.



It appears that the dollar note is the rarest of the three. All are the same size, about five inches long and two and a half inches wide. Under a magnifier, we can see that a lot of care went into their designs. They are beautifully engraved, perhaps by Keatinge himself.

So far as I can determine, only plate letter "A" was used. Collectors would be interested in knowing if any reader has a note with another plate letter or a serial number above one hundred.

I have only one specimen of each denomination, and they are worn to the point that they don't photocopy well. For that reason I have re-touched the photocopies to enhance the details on the illustrations with this article. So far as know, these are the sharpest images of these notes in existence. Perhaps someday a few crisp Uncirculated specimens will turn up, but I believe it is a little late for that to happen.

Editor's note: we would be pleased to receive reports of additional plate lettered notes, and higher serial numbers. We will print any additional information we receive in these pages. ❖

Correction

Longtime Memphis exhibit chairman Mart Delger points out that his telephone number appeared incorrectly in a recent issue of *Paper Money*.

Mart's correct telephone number is 1-269-668-4234.

Interested exhibitors may contact Mart to obtain an exhibit application for the upcoming Memphis annual

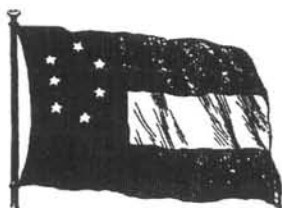
Paper Money Show by phone or by writing to him at 9677 Paw Paw Lake Drive, Mattawan, MI 49071.

Dates for the 29th International Paper Money Show, sponsored by Memphis Coin Club, are June 17-19 at the Cook Convention Center.

The Editor regrets any inconvenience arising from publication of the incorrect telephone number. ❖



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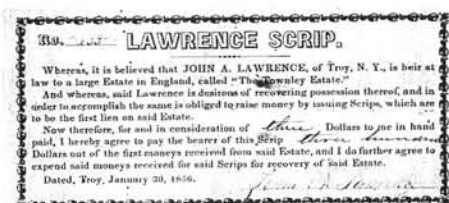


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A North Carolina's Wallpaper Note?

By Bob Schreiner

During the Civil War, the South issued much paper money, not just the famous notes of the Confederacy, but also issues from the Southern States, banks and merchants. However, the war cut the South off from its suppliers of paper and steel plate printing technology, resources responsible for the great beauty of paper money in the 1850s. Many Civil War era notes were simply printed, sometimes using the reverse of remaindered paper money to conserve paper.

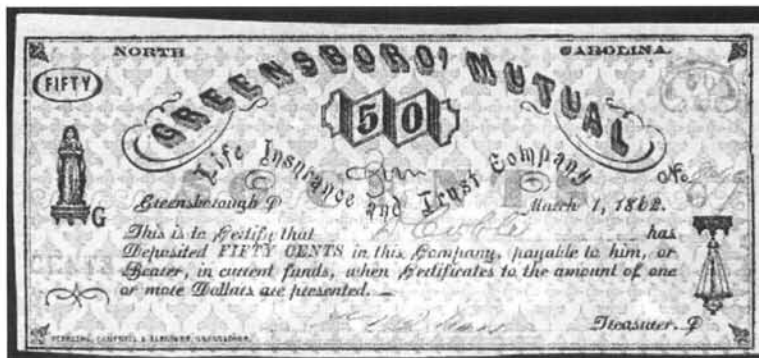
The 50-cent scrip note of North Carolina's Greensboro' Mutual Life Insurance and Trust Company, dated March 1, 1862, is known as the wallpaper note, because it is allegedly printed on wallpaper pressed into service as note paper. The paper is tan with black lettering and figures. It is embellished with the banner "50 CENTS" in the center, the large fleur-de-lis-like figure in the top right, "C" on the right, and "CENTS" to the left, all in dark yellow-orange. The note takes its name from the pattern of smaller fleurs, printed in green, that constitute the patterned background for the note.

But is it really wallpaper?

Not likely. The best evidence for this conclusion is that the pattern is contained within the note borders, at

least on the sides and top of this example, and probably also at the bottom, although the close trimming there doesn't permit a conclusive finding. Wallpaper would have a pattern larger than the note's approximately 6" by 3" size.

The so-called wallpaper background pattern exists for a couple of purposes: (1) it adds eye appeal to the note, perhaps contributing to its acceptability to the public, and (2) the color and design complexity provide a degree of counterfeit protection. The orange "protectors," as these devices are called, serve the same purposes, and



such usage was common on obsolete paper money.

The note was printed by Sterling, Campbell, & Albright of Greensboro. Observe that the city name is spelled two ways: The current spelling for the company name and the printer's location (the imprint is in tiny print in the lower left edge), and Greensborough for the place name at center left.

The "wallpaper note" designation adds a romantic touch to this note, but it's a misleading name. The note is, however, an attractive example of how the South used available resources to produce an interesting and appealing piece paper money. ♦

George W. Wait Memorial Research Prize Deadline Nears

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See November/December issue page 421 for Details

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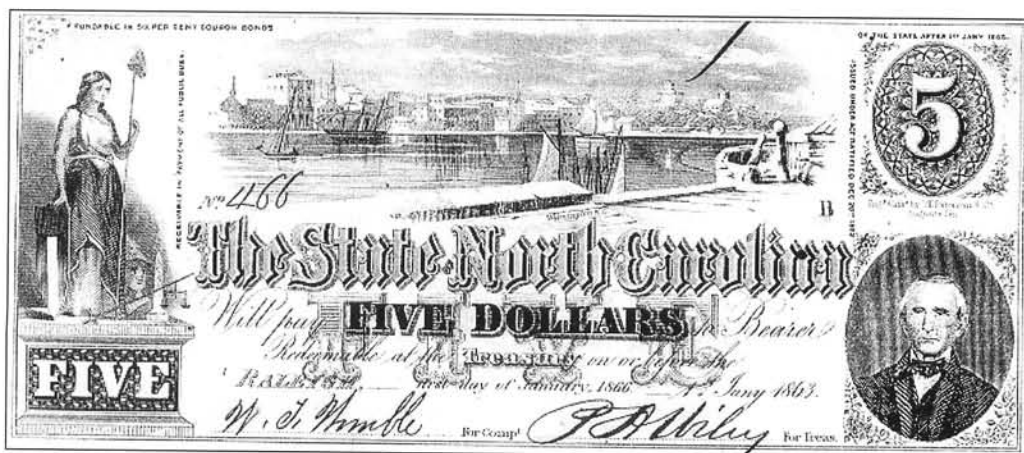
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Whose Portrait Is It?

Daniel W. Courts or Jonathan Worth

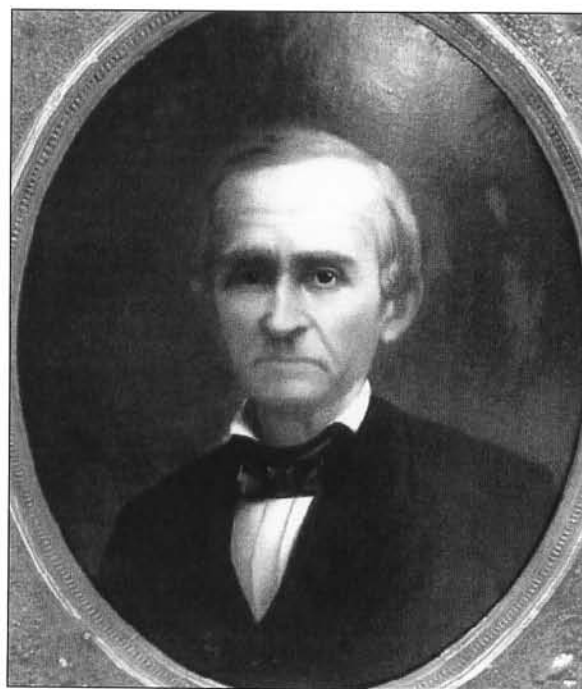
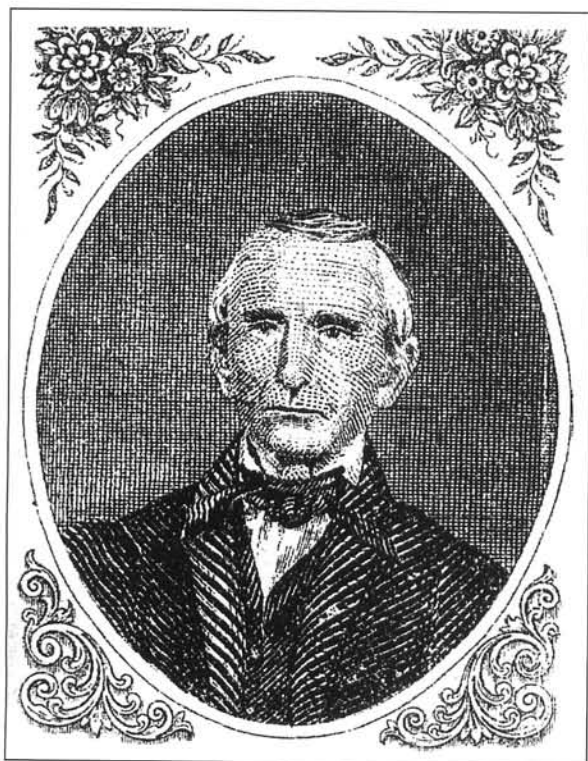
By Jerry Roughton & Paul Horner

Above: \$5 North Carolina state Treasury Note, January 1, 1863.

Adapted from *North Carolina Numismatic Scrapbook* (Autumn 2002)

COMPARE THE PORTRAIT, AT LEFT BELOW, THAT appears on \$5 and \$10 State Treasury Notes, with the painted portrait below. Do they appear to be the same gentleman?

Our mystery gentleman in the portrait appears on the popular \$5 "View



"Portrait of Jonathan Worth" Unsigned and undated oil painting. Courtesy of the North Carolina Collection, Academic Affairs Library, University of North Carolina at Chapel Hill

of Harbor" and \$10 "State Capitol" Treasury Notes and a few bonds, all with a printed date of January 1st 1863. These notes bear the imprint, "Eng'd by J. T. Paterson & Co. Augusta, Ga." Over the years, catalogers ¹ of North Carolina State Treasury Notes have identified the portrait as that of D. W. Courts, Public Treasurer. After much study and comparisons of known portraits of Daniel Courts with that of Jonathan Worth, we are of the opinion that it is actually a portrait of Jonathan Worth, who followed Courts as Treasurer.

In addition to portrait comparisons further evidence is via the date these notes were issued. The Act of the North Carolina General Assembly that authorized these notes was passed on the 20th of December, 1862. Jonathan Worth assumed the office of Public Treasurer in January, 1863 ² and records show that these notes were first issued early in 1864. With the span of over a year's time between assuming the office of treasurer and the release of the first notes, Worth had ample time to order the new issue with *his* portrait. It is highly unlikely the *new* treasurer would have sanctioned the portrait of the former treasurer (Courts), a political rival, to be used.

Until a conclusive contemporary admission to the identity of the gentleman comes forth, the authors are satisfied that he is JONATHAN WORTH.

NOTES

1. A. B. Andrews, Jr. of Raleigh, first known cataloguer of the N.C. State Treasury Notes Series, identified the portrait as that of D. W. Courts in his listing of the notes in 1908.
2. Jonathan Worth resigned from the House of Commons, effective December 20, 1862, to become Public Treasurer. ♦

Editor's note: The authors are SPMC Wismer state catalogers for North Carolina. To report NC notes, or for info about *North Carolina Numismatic Scrapbook*, contact co-Editors/Publishers Horner and Roughton at NCNS, PO Box 793, Kenansville, NC 28349.

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Grading Confederate Notes and Bonds, One Man's Opinion

By Pierre Fricke

GRADING IS ON THE MINDS OF MOST PAPER MONEY collectors, and that includes those who desire to collect Confederate Treasury Notes and Bonds. I introduced a modified grading system, similar to that used by many of the members of the Early American Coppers club, on my web site www.csaquotes.com (CSAQ) which has proven useful. The Early American Copper community has been using this grading style for decades. Jack Robinson popularized this grading style in his well known "Copper Quotes by Robinson," which has been published for two decades.

Condition - Assessing Eye Appeal

At many an auction or coin and currency show two or more pieces of the same type, variety and technical grade may appear. Many times the price realized varies greatly from piece to piece. Consider these results:

1. 1861 T-22 CR-151 VF, choice cut and/or color: \$2700.00
2. 1861 T-22 CR-151 VF, a few trivial distractions consistent with the grade, or cut a bit off: \$2000.00
3. 1861 T-22 CR-151 VF, washed and pressed: \$1600.00
4. 1861 T-22 CR-151 VF, very small edge tear, minor stain or trivial repair, net F-VF: \$1300.00
5. 1861 T-22 CR-151 VF, some staining, or minor repair/damage, net F: \$800.00
6. 1861 T-22 CR-151 VF, significant staining or repair/damage, net VG: \$300.00

This is a reflection of the real world of currency trading. How can one determine the value of an "VF" 1861 T-22 CR-151 with the current price guides? Generally, notes fall into one of three categories: Oh Wow!, That's Nice, and Yuk! Of course, there are those inbetween as well, but for the most part, that sums it up for any given grade level.

An "Oh Wow!" note can be considered CHOICE. CHOICE means one or several things: Exceptionally clean surfaces and color (free from marks and stains), or a great cut on an attractive note. Color is important in that it must be attractive; no washed notes here. Also, there cannot be any significant distractions on the note. The more pleasing the note, above and beyond normal, (i.e. clean surfaces, cut and color) the more likely the note will command a "run-away" price.

CHOICE refers to a note that is exceptionally clean with nice color or cut with no more than average handling for the grade (preferably less). A note that

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Above: Type 67, CR504A

has impeccable surfaces, cut and/or gorgeous color may be worth more than CHOICE.

AVERAGE refers to an original note that has typical handling for the grade. A high grade XF or better piece has few distractions; a VG piece can have more. A washed and /or pressed note that is attractive can fall into AVERAGE.

SCUDZY represents varying degrees of "Yuk!" Note that these notes are collectable, and do have value, just not as much as AVERAGE or CHOICE. A note with relatively minor repair or damage will be worth more than SCUDZY, but certainly not AVERAGE. A SCUDZY note may be harshly washed and restored; or has significant repair and/or damage.

SCUDZY notes may also be original, but have problems like tears, missing pieces or edge problems that detract from the note. A minor problem or two is not cause enough for a note to be SCUDZY, however, anything that really detracts will put it into the SCUDZY category. Usually a note with more than one grade level of reduction due to problems is SCUDZY. Problems detract from the technical grade to determine net grade.

This type of grading represents a godsend to those who are concerned about quality and paying and getting fair prices for notes. On the other hand, this additional layer of grading may seem excessive to some. Some may not like it! What are the motivations of those who criticize it? Perhaps it can be improved and they have a good idea. Or are they selling or buying? If so, what side of the equation is their argument vs. what they are trying to do!?

It reflects the real world. And has decades of use in numismatics at least in a couple of segments. Think about it.

Technical Grading - CSA Currency

A "conservative" interpretation of grading that is commonly used in the marketplace includes general descriptions:

Poor: Severely worn and damaged. May have more than 25% of the note missing.

Fair: Filler. Severely worn. Part of the note may be missing; e.g., no more than 25% and that may be crudely repaired with backing.

About Good: Heavily worn. Up to 10% of the note may be missing, but no more. May be crudely repaired. Earlier generations called this "Fair".

Good: Heavily worn but intact or reasonably repaired with backing or archival tape. May have edge splits and some tears not readily visible and obvious into the note.

G-VG: Can't quite make VG due to problems or excessive wear.

Very Good: Heavily worn and intact. It may have heavy creases and will have lots of wrinkling from handling. Only minor stains, edge splits and holes



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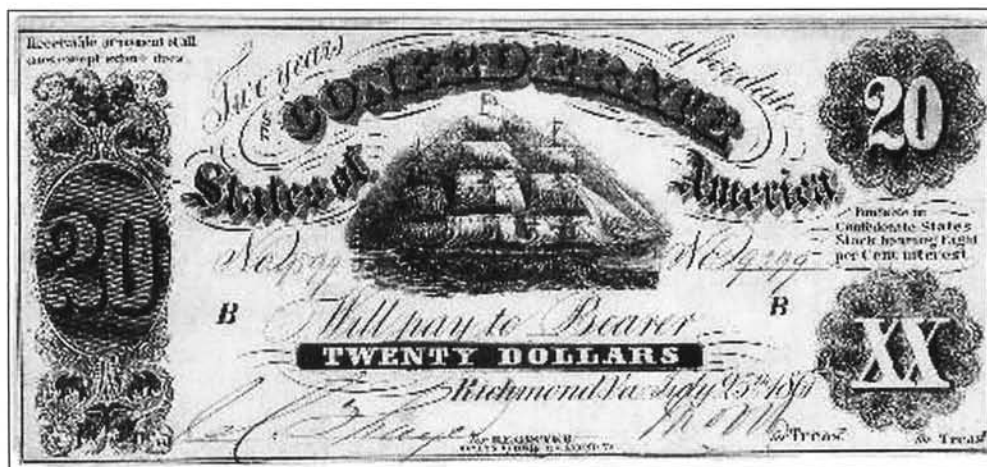
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are permitted without net grade deduction. No crispness left – a limp note. Considered average circulated.

Fine: Worn but has at least a little body or crispness left. It will have multiple folds and a good deal of wrinkling from circulation. Must deduct at least a half of grade for anything but trivial stains and edge splits. A 1/2 grade deduction may be from a single tear that is not large and readily visible. Significant repairs and tears cost at least a whole grade and may drive the note towards SCUDZY depending on severity and visibility.

F-VF: Typical “commercial” VF found at many tables at a show. Too much wrinkling or the folds are too heavy to be called VF, but a nice note and better than Fine.

Very Fine: Obviously circulated, but not significantly so. Vertical and/or horizontal folds will be present, but will not be heavy. Some use the benchmark of no more than 8 folds on a VF note. This note has a significant amount of body or crispness left. Not much circulation wrinkling readily visible to the naked eye can be tolerated at this grade level. Many Fine or Fine to Very Fine notes are called Very Fine in the recent hot market. Beware. Minor holes, tears, edge splits and repairs cost about 1/2 of a grade. Anything that significantly stands out as a problem costs a whole grade and any more will drive the note to SCUDZY at the lower grade level.



Above: Type 9, CR24

Choice VF: VF note with great trim and/or color. May be worth as much as many VF-XF and even some XFs.

VF-XF: A couple more folds than can be tolerated for XF. No circulation wrinkling visible.

Extra Fine (XF): Very lightly circulated and nearly all of the crispness retained. Will have 2 or 3 light folds across the body of the note as seen on the typically blank reverse. Any very minor problem on the note will cost 1/2 of a grade. Anything readily visible will cost a whole grade or more. Very bad trim will discount the note 1/2 of a grade or more. XF notes cannot have significant problems to speak of.

Choice XF: XF with exceptional color and/or trim. Better than AU in eye appeal and usually worth more.

About Uncirculated: A corner fold. A single cross-body fold. Smudge. Bad trim on an Unc. note. Any one of these make a note AU. More than a couple drive the note to XF. These are typically called Unc. by many, especially on the Internet. Tears, repairs and problems can quickly drive an AU note to VF or less and SCUDZY.

Choice AU: Better than Unc. and worth more. May be a CU note with a minor circulation issue described under AU.

Uncirculated: No circulation or problems. OK cut, may cut into the margin, but not a lot. Many of these are called "CU." but are not.

Choice Uncirculated or Crisp Uncirculated: Unc. with good trim. Cannot be cut into the margin lines and must be quite straight. Color must be above average.

Gem CU: Nearly perfect note. Top notch trim and color.

The table above lists the grades and general descriptions about the CIRCULATION of the note. PROBLEMS (with the exception of cut cancellations) REDUCE the net grade.

Cancelled Notes

Many CSA notes have been cut-cancelled, punch-out cancelled, hole-out cancelled, or cut-out-cancelled to indicate that they were paid and collected by the government. This is different from damage or repairs and these notes deserve their own valuation. These notes, especially clean cut-cancels, are attractive and desirable in their own right. Some varieties are extremely difficult if not impossible to get not cancelled.

Grading Bonds

Bonds are much easier to grade due to their larger area, lower prices and relatively thin market. This is due to the fact that the larger area is an easily viewed surface for exposing problems and handling. Lower prices and a thinner market allow for a simpler grading scale without the same intensity of financial pressure for splitting grades or overgrading that CSA notes may exhibit.

Most price guides list one or two grades – Fine and Very Fine – which are the major grades available for these documents. I expand this only a little to include XF bonds and problem bonds of which there are enough around to warrant a separate listing. The same discussion as it relates to condition – Choice, Average and Scudzy – can be applied to bonds, however, due to the fact that bonds did not "circulate" like currency, it is overkill.

Good to Very Good: Heavily worn and intact. It may have heavy creases and will have lots of wrinkling from handling. Stains, edge or crease tears and holes are permitted without net grade deduction. Heavily damaged bonds are worth less than this grade.

Fine: Worn but has some body or crispness left. It will have multiple folds and some wrinkling from handling. Minor stains, edge splits or crease tears, or hidden repairs may be found on these bonds. No pieces missing.

Very Fine: Obviously handled, but not significantly so. Vertical and/or horizontal folds will be present. This bond has a significant amount of body or crispness left. Not much handling wrinkling readily visible to the naked eye can be tolerated at this grade level. Minor holes, tears, edge splits and repairs cost about 1/2 of a grade. Anything that significantly stands out as a problem can cost a whole grade to Fine.

Extra Fine: Very lightly handled and nearly all of the crispness retained. Will have a few light folds or one or two moderate folds across the body of the bond. Any minor problem on the bond will cost 1/2 of a grade. Any readily visible distraction (stains, tears, ink problems, dirt) will cost a whole grade or more. XF bonds cannot have significant problems to speak of. ❖

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A Cross Reference for Criswell to Thian

Michael McNeil
and
W. Crutchfield "Crutch" Williams, II

COLLECTORS OF TREASURY NOTES OF THE CONFEDERATE STATES OF AMERICA ARE attracted to their design and history. When admiring one of these notes, have you ever wondered who signed it? Is it rare? Are you looking at a clever counterfeit?

To answer these questions, more experienced collectors often turn to the *Register of the Confederate Debt*, a book more popularly known simply as "Thian" or the "Register." This work was originally produced in 1880 by Raphael Prosper Thian as the appendix to a much larger work, *Correspondence of the Confederate Treasury*.¹ Today we are fortunate to have a reprint of Thian's Register, edited by the late Dr. Douglas Ball.²

Thian is not easy to use, and the numbering schemes of recent catalogs bear no relation to Thian's system. Compounding this problem is the proliferation of different catalog numbering methods. Highly recommended reading for all collectors is Arlie Slabaugh's reference catalog with its extensive treatment of CSA history. In this book Slabaugh provides collectors with a valuable cross-reference to the different catalog numbering methods,³ but this work lacks a reference to Thian's Register. In his *Confederate Paper Money*,⁴ Criswell uses the catalog numbering and varieties of Bradbeer⁵ and adds a simplified type classification of his own to Bradbeer's original structure dating from 1915. These type and variety numbers are in common use today, and the following cross reference to Thian's Register will therefore be based on the combined Criswell-Bradbeer catalog numbering systems.

The important key identifiers of a Confederate Treasury note are:

1. Date
2. Denomination
3. Series number
4. Plate Position Identifier
5. Serial number
6. Signature "for Register"
7. Signature "for Treasurer"

We need to understand how to find and interpret these keys if we are to make a positive identification of a Treasury note. Here is an example:



We would find the above example in Criswell's 1992 edition on page 63 as a Criswell Type 36 and a Bradbeer variety 278, 280, or 281 (the different varieties having to do with watermark styles). We would also find this note listed on page 32 of Thian's Register in the group "\$5 - 9A to 16A (2d series)". Here are the keys to its identification:

1. Date: The date found on the note, "September 2, 1861," is the date of authorized issue of this note design. Thian groups notes by the date of their Act of Issue as authorized by the Confederate Congress, which typically precedes the date on the note, especially in the 1861-'62 issues. The title on page 32 of Thian lists the date of the Act of Issue for this note as: "Act of August 19, 1861." Much of the confusion in the use of Thian stems from the different date nomenclature. Knowing how these dating systems differ is half of the battle in their reconciliation. As a rule of thumb for the 1861-1862 issues, the date on the note will be later than the date listed in Thian.

2. Denomination: This is straightforward.

3. Series number: The arrow points to the position where the "Second Series" is indicated. Other issues may start with no series and no designation, then place a "Series 1, Series 2," etc. on the notes as serial numbers are used to exhaustion. Alternatively, some issues start with "Series 1" and continue in sequence. The basic idea behind the series concept is that serial numbers within a series will run from 1 to approximately 100,000, then the Series will increment and serial numbers will start again from 1. A few of the early issues have serial numbers as high as 291,446 in a series, but this is rare. Pages 173-178 of Thian list the highest serial numbers known to Thian of any series.

4. Plate Position Identifier: This note has both a number and a letter, "11 A". Treasury notes were printed with multiple note images on a single sheet. Each note on a sheet was given a unique letter, number, letter-number, or letter-letter combination to identify its position on that sheet. Most importantly, all the notes on a single sheet were usually given the same serial number. This means that a series with a run of 100,000 serial numbers and eight notes to a sheet would have a total of 800,000 notes in that series. The use of a plate position identifier had the advantage of getting more unique notes out of the serial numbers in the series. This T-36 note was printed eight to the sheet and had plate position identifiers of 9A, 10A, 11A, 12A, 13A, 14A, 15A, and 16A. These plate position identifiers are very important; Thian, Bradbeer, and Criswell all make use of them to differentiate and catalog Treasury notes.

5. Serial number: The serial number 162665 is shown twice on this note. It is typically hand-written in brown or red ink. It appears faded in this gray-scale image because the original numbers of this T-36 note are written in red ink. The color of ink for serial numbers is an important distinction for Thian in some early issues and series. A few of the later issues bear printed serial numbers.

6. Signature for "Register": The arrow indicates the position to the left used by the signers "for Register."

7. Signature for "Treasurer": The arrow indicates the position to the right used by the signers "for Treasurer." Learning to recognize the signatures is important. The serial number runs in Thian are all grouped by signature.

Here is page 32 from Thian's *Register of the Confederate Debt*, showing the identifiers of the illustrated T-36 note:²

82		CONFEDERATE TREASURY DEPARTMENT.	
Register of Confederate States Treasury Notes—Continued.		ACT OF AUGUST 19, 1861—Continued.	
For Treasurer.	For Register.	Numbers of the notes signed.	
E. Mason.....	M. C. Lathrop.....	\$5—9A to 16A (2d series)—Continued.	
V. M. Rind.....	V. K. Davies.....	212401-212800, 213701-214100, 217601-218000, 223101-223400, 225701-225800, 228401-228800, 233801-234200, 236001-236400, 239501-239900, 87601-88000, 88001-89300, 92401-93000, 98501-99100, 104101-104400, 107101-107400, 109401-109700, 112301-112600, 114901-115200, 118301-118600, 120101-120400, 123701-124000, 126901-127200, 129701-130000, 132701-133000, 136101-136400, 139401-139700, 141101-141400, 146701-147000, 165801-166100, 170601-170900, 172701-173000, 177801-178100, 181601-181900, 183401-183700, 189901-190200, 190501-190800, 197001-197300, 199701-200000, 203501-203800, 208001-208300, 213401-213700, 214401-214700, 219801-220100, 222001-222300, 225001-225300, 229401-229700, 231901-232200, 241401-241800, 88001-88400, 89301-89700, 90901-91400, 93701-94100, 95901-96300, 97401-97800, 100201-100600, 103001-103400, 106001-106400, 110001-110400, 110701-111100, 115501-115900, 116801-117300, 118901-119300, 122601-123000, 125001-125500, 128401-128800, 132301-132700, 134401-134800, 139701-140100, 142101-142500, 145901-146300, 152001-152400, 155901-156300, 159001-159400, 162301-162700, 164701-165100, 168501-168900, 171601-172000, 176601-177000	
A. Points.....	M. Gay.....		

As can be seen above, the illustrated T-36 note corresponds to Thian's listing on page 32 of the Register for the serial number run 162301-162700. Furthermore, the signatures of M. Gay "for Register" and A. Points "for Treasurer" agree. It is almost certain that this note is genuine. The vast numbers of T-36 notes listed on pages 29-34 of the Register demonstrate that such notes are not extreme rarities, and current market prices reflect that.

In the above example we were shown the correlation between a Criswell-Bradbeer T-36/ B-278, -280, -281 and its location on page 32 of Thian's Register. While some of these correlations are straightforward in the later issues, many are very difficult in the early issues. The new reference table will take you directly from a Criswell-Bradbeer type-variety (where you have the advantage of a picture to guide you in Criswell's book) to the page numbers and section title in Thian's Register where you will find the same note.

The following table is an abbreviated version containing Criswell type numbers and lumped Bradbeer variety numbers as found in Criswell's lists. Criswell made minor modifications to Bradbeer's variety numbers. These modifications reflect a better understanding of the note varieties as a result of decades of research by many individuals; Criswell describes many of these modifications in his various editions.

Confederate Treasury Note Cross-Reference Guide

Compiled by Michael McNeil and W. Crutchfield "Crutch" Williams, II

Abbreviated List

Bradbeer-Criswell numbers: 1992 edition of *Confederate Paper Money* by Grover C. Criswell

Thian's Register numbers: 1972 reprint of Raphael P. Thian's *Register of the Confederate Debt* by Dr. Douglas B. Ball

Denom.	Criswell Type #	Bradbeer Variety #	Thian's Register Title	Page
1861				
\$1,000	1*	1	A.-(Montgomery), signed by Clitherall & Elmore	6
\$500	2*	2, (2A)	A.-(Montgomery), signed by Clitherall or Jones & Elmore	6
\$100	3*	3	A.-(Montgomery), signed by Clitherall & Elmore	6
\$50	4*	4	A.-(Montgomery), signed by Clitherall & Elmore	6
\$100	5*	5, (5A)	B.-(Richmond), signed by Tyler (or Jones) & Elmore	6
\$50	6*	6	B.-(Richmond), signed by Tyler & Elmore	6
\$100	7	7-13	\$100-B, C	7
\$50	8	14-22	\$50-B, Bb, C	7
\$20	9	23-33	\$20-B, C, Cc, Ccc, D	7-8
\$10	10	34-41	\$10-A, B, C	9
\$5	11	42-45	\$5-B, Bb	9
\$5	12	46-49	\$5-F to I	10
\$100	13	50-58	\$100-A, B, C, D, E, cA to oA, AC to AK, A1 to A8	10-11
\$50	14	59-78	\$50-A, B, C, D, E, AD, AE to AL, A1-A8, A9-A16	11-12
\$50	15	79	\$50-A (Southern Bank Note Company)	11
\$50	16	80-98	\$50-wA to zA, wA to zA (2d series), 1A to 4A	12
\$20	17	99-100	\$20-A (green)	12
\$20	18	101-136	\$20- numerous varieties	12-16
\$20	19	137	\$20-A (Southern Bank Note Company)	16
\$20	20	139-143	\$20-1 to 8, 1 to 10 (1st-3d series)	17-20
\$20	21	144-149	\$20-W to Z	20
\$10	22	150-152	\$10-A and B, C (number black - Southern Bank Note Co.)	21
\$10	23	153-155	\$10-A, A1 (number red)	21
\$10	24	156-167	\$10-H to K	22
\$10	25	168-171	\$10-W to Z (number red), (number black), (...2d series)	23-24
\$10	26	173-220	\$10-W to Z (number red), (number black), (...2d series)	23-24
\$10	27	221-229	\$10-Ab, A9 to A16	21-22
\$10	28	230-236	\$10-A9 to A16	21-22
\$10	29	237	\$10-A to H	23
\$10	30	238-242	\$10-1 to 8, 1 to 10 (1st-4th series)	24-27
\$5	31	243-245	\$5-A and B, C (number black - Southern Bank Note Co.)	28
\$5	32	246, 248-249	\$5-A (number red), AA	28
\$5	33	250-257	\$5-H to K, L to O (number black), (number red)	28
\$5	34	262-270	\$5-H to K, W to Z (number black), (number red)	28

Letter to the Editor

The John J. Ford collection that was auctioned by Stack's on October 12, 2004, included numerous paper money surprises including two proofs of the central subject of "Intended Back Design for 1st U.S. Small-Size Notes" that was discussed in the recent Nov./Dec. issue of *Paper Money*, No. 234.

The proof that had been offered to me was the only example known to exist [at the time] outside the BEP (PM No. 234, p. 442).

The Ford collection included a single proof of the Kenyon Cox design on card that measures 15.0 cm by 5.0 cm (Lot 500). The second proof of the back design by Kenyon Cox was part of a presentation group that included face and back color proofs of the \$100 Federal Reserve note; this group was signed "with the compliments of the Secretary of the Treasury" McAdoo. This mounted group in a tan presentation mat measures 41.0 cm by 61.0 cm (Lot 501).

These two and the proof offered to me would suggest that three examples have been documented. However, until this third proof surfaces, it is my opinion that it was probably destroyed when the New York apartment of Allyn Cox was vacated following his death in Washington, D.C.

I hope I am wrong.

-- Gene Hessler



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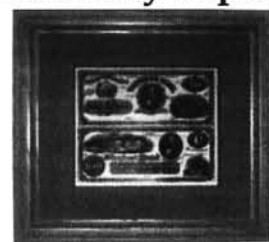
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Denom.	Criswell Type #	Bradbeer Variety #	Thian's Register Title	Page
\$5	35	271	\$5-Ab	28
\$5	36	272-283	\$5- 9A to 16A, (2d-3d series)	29-34
\$5	37	284-285	\$5-A to H, 1 to 8 (2d series)	34-35
\$2	38	286	\$2-1 to 10 (1st series) dated 1861, listed 1862 in Thian	39-40
1862				
\$100	39	287-296	\$100-A, and Ab to Ah, Aa to Ah	35-38
\$100	40	298-309	\$100-A, and Ab to Ah, Aa to Ah	35-38
\$100	41	310-331	\$100-W to Z	37-39
\$2	42	334-337	\$2-1 to 10, 1 to 12 (1st, 2d, 3d series)	39-42
\$2	43	338	\$2-1 to 10 (2d series)	40-41
\$1	44	339-341	\$1-1 to 10 (1st, 2d, 3d series)	42-45
\$1	45	342, 342A	\$1-1 to 10 (1st, 2d series)	42-43
\$10	46	343-344	\$10-I to P (printed in 1861 with 1862 date)	27-28
\$20	47	345	not listed, status unknown	
\$10	48	346	not listed, status unknown	
\$100	49	347-349	\$100-A to D (1st series), (2d series)	46
\$50	50	350-362	\$50-wA to zA (3d series)	46
\$20	51	363-368	\$20-A to H (1st series)	47
\$10	52	369-378	\$10-A to H (1st-4th series)	47-51
\$5	53	379-390	\$5-A to H (1st-3d series)	52-56
\$2	54	391-396	\$2-B to I (1st-2d series), A	57-59
\$1	55	397-401	\$1-B to I (1st-2d series), A	59-62
1863				
\$100	56	402-404	\$100-A to D, numerous varieties	62-92
\$50	57	406-417	\$50-wA to zA, numerous varieties	62-106
\$20	58	418-428	\$20-A to H, numerous varieties	63-81
\$10	59	429-446	\$10-A to H, numerous varieties	63-107
\$5	60	448-469	\$5-A to H, numerous varieties	66-111
\$2	61	470-473	\$2-A to H (1st-3d series)	112-114
\$1	62	474-484	\$1-A to H (1st-3d series)	114-118
\$0.50	63	485-488	50c., A to I (1st-2d series), printed signatures	177
1864				
\$500	64	489	\$500-A to D	118
\$100	65	490-494	\$100-A to D (no to 2d series)	118-122
\$50	66	495-503	\$50-wA to zA (no to 4th series)	122-128
\$20	67	504-539	\$20-A to D (no to 11th series)	128-145
\$10	68	540-552	\$10-A to H (1st-10th series)	145-161
\$5	69	558-565	\$5-A to H (no to 7th series)	161-172
\$2	70	566-571	\$2-A to H no runs in the Register	172
\$1	71	572-577	\$1-A to H no runs in the Register	172
\$0.50	72	578-579	50c., A to I (1st-2d series), printed signatures	178

*Alex B. Clitherall signed for Register most of the T-1, T-2, T-3, T-4 until his resignation.

C. T. Jones, Acting Register, signed some \$500's after Clitherall's resignation.

Robert Tyler signed for Register on most T-5 and T-6.

It was recently discovered that C. T. Jones signed at least one T-5.

Some genuine notes are not listed in Thian, while others have not been determined to be of genuine issue:

- Types 47, 48, and subtypes 431-433: The status of these notes is unknown.
- Varieties of the 1863 Issue for the month of April, or with no month stamped on the face of the note, are not recorded in Thian. Counterfeits exist; see Tremmel.⁶
- Nearly half of the February 17th, 1864, issue is not recorded in Thian. Signature verification of unlisted notes is often difficult and requires matching them to known and recorded 1864 issues. Counterfeiting is rare, probably because the inflation of 1864-'65 rendered the notes of low value. Counterfeiting is much more common in the earlier issues.

Counterfeits contemporary to the Civil War are often more valuable than the genuine notes. Identification of a genuine note usually consists of matching the serial number to the listed runs in Thian, but this is not always foolproof. Tremmel specializes in counterfeits of all Treasury note issues and finds that roughly 10% of counterfeits have serial numbers that match the serial number runs in Thian.⁷ When looking at the genuine notes of a single signer, McNeil found a defect rate of 4% in Thian's Register for listed runs in the February 17th, 1864 issue.⁸

Thian's Register is an essential resource for identifying counterfeits, rarity, and signatures. The Cross Reference for Criswell to Thian should now make identification much easier for both beginning and seasoned collectors. A full cross reference table containing nearly all of the 579 Bradbeer varieties is available from the authors. Please contact the authors for further information.

W. Crutchfield "Crutch" Williams, II
P. O. Box 521
Kemah, TX 77565

Mike McNeil
POB 2017
Nederland, CO 80466-2017

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4. Criswell, Grover C. *Comprehensive Catalog of Confederate Paper Money*. Port Clinton, OH: BNR Press, ISBN 0-931960-20-7. It is with Criswell's express permission that his system of numbers used to describe Confederate currency is used in this Cross Reference. In his 1992 edition, Criswell states: "All rights are reserved but collectors, dealers and others are encouraged to used Criswell numbers with appropriate credit." In his 1957 edition, Criswell states: "The numbering system set down by Mr. Bradbeer still remains the standard, and it is significant that it should be used as the basis of the new Criswell Numbering System."
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7. Tremmel, George B. *Counterfeit Currency of the Confederate States of America*. Jefferson, NC: McFarland & Company, 2003, ISBN 0-7864-1422-7, p. 75.
8. McNeil, Michael. *The Signers of Confederate Treasury Notes 1861-'65*. Nederland, CO: Michael McNeil, 2003, ISBN 0-9720386-2-0. Statistics from the author's collection of notes signed by Sarah Pelot; four of ninety-seven listed runs were mis-attributed in the Register to either S. Pelot or A.P. Pellet, signers with similar names.

Acknowledgements:

- W. Crutchfield “Crutch” Williams, II, supplied the image of the T-36 note in this article.
- Stephen Goldsmith of R.M. Smythe & Co. kindly gave permission to use group titles, page numbers, and the photograph of page 32 from the reprint of Thian’s *Register of the Confederate Debt*; see reference 2. ❖



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Building a Modern Collector's Guide for Confederate Currency

By Pierre Fricke

IT'S BEEN A LONG TIME SINCE THERE has been a major update to the basic guide for Confederate currency has appeared. I assert that the last major Confederate currency update was Grover Criswell's 1957 repurposing and updating of William Bradbeer's 1915 work. Grover incrementally updated and improved this work four times – in 1964, 1976, 1992 and 1996.

These improvements consisted of expanded introductory text, improved pictures, a few new discovery items, and a new section on counterfeits. Grover did a great job maintaining a well put together guide and marketing Confederate currency to new collectors.

Despite this yeoman effort, I found the 1996 catalog wanting in several areas. I had no sense of what I could reasonably find in terms of higher quality grades for many of the types and varieties. Too many prices are quoted for Uncirculated examples that either don't exist at all or exist in tiny numbers with no recorded transactions whatsoever. A number of important varieties seemed to be undocumented without any discussion or rationale as to why.

It is difficult for one to identify a number of the varieties lacking abundant experience or access to an expert willing to help. I had no idea of what the population of notes for a given variety or type looked like – should I pass on the XF T-31 or Fine T-25 Wookey Hole Mill and wait for a Choice Unc.? Or would I wait forever and kick myself for passing on one of the finest known? Finally, quite a few of the rarity ratings seemed arbitrary and suspect.

The reality of the above became apparent as I met and talked with long-time collectors; consequently, the need for a reference reflecting my concerns as outlined here became even more readily apparent.

Long Experience Collecting Numismatic Items

I began collecting coins in 1969 and have been an advanced collector and/or dealer of early American numismatic items by variety since 1973. My first great "find" was an 1800 Sheldon 198 large cent in nice G+ for \$12 which I proceeded to sell for a great profit a couple of weeks later. This rarity 6 item is in the condition census and worth \$3,000 or more today. I moved from early American coppers through bust half dollars in the late 1980s and 1990s. I began publishing a price guide for bust half dollars known as "Bust Half Quotes" in the late 1980s and 1990s with a partner, noted numismatist and dealer, Brad Karoleff. I sold all of my large cents and bust halves in the mid-1990s to purchase a

house in Westchester County near New York City where my wife and I now reside.

After doing research into my family history in Louisiana going back to the 1700s, learning more about the history of the early USA and South, participating in a few War for Southern Independence (so-called "Civil War") re-enactments, and recovering from the financial shock of buying NYC-area real estate, I decided to dive deeper and change my focus from early American coins to Confederate fiscal paper – notably Treasury notes and bonds.

In particular, beyond my love of history and the South, I was impressed with the depth and opportunity CSA paper offered the modern collector. I built a type collection of Confederate paper money minus the "Big 6," which was recently auctioned by R. M. Smythe. I continue to focus on completing my condition census rare variety collection and other Confederate fiscal paper collections. Over the past few years, I met a lot of great people, expanded my horizons and had fun!

The New Confederate Guide and Catalog

Dr. Douglas Ball passed away in early 2003 with a wealth of information remaining unpublished in his library. He was working on a book of his own and at the Memphis 2003 International Paper Money Show I inquired about the status of this endeavor. I discovered that it was not clear if this work would come to fruition, at least as published from a collector's viewpoint.

So after several conversations and securing the legal rights to Dr. Ball's personal library, I began to build a framework that has been tested in other numismatic communities for decades and build upon that to modernize the Confederate catalog for the 21st Century. I continued working on the main draft through the Summer of 2004.

A great deal has happened since 1957 in the world of numismatics and items of utmost concern to numismatists today seemed missing or only touched upon in the 1996 Criswell work. These newer focus areas include detailed guidance on grading and condition. In an era where Confederate currency generally brought 15 cents to a few tens of dollars, the difference between Very Good (VG) and Very Fine (VF) wasn't all that important. Today, these same Confederate notes may be worth from \$25 to thousands of dollars. The difference in value between a VG and VF may be hundreds or thousands so that a complete understanding of what various grades of notes look like becomes quite important.

A related area of focus is one of condition which has

On This Date in Paper Money History -- Jan. 2005

By Fred Reed ©

Jan. 1

1801 Samuel Dexter becomes Treasury Secretary; 1834 Satirical Glory Bank notes circulate in Washington, D.C. critical of Jackson and Amos Kendall; 1848 Commercial & Agricultural Bank of Texas, Galveston issues notes under original Mexican charter; 1917 Treasury reduces linen content in security paper to 50%; 1964 Banker and SPMC Charter Member William A. Philpott retires as Texas Bankers Assn. Secretary;

Jan. 2

1857 Bank of the State of Indiana opens headquarters at Indianapolis; 1859 Erastus Beadle publishes *The Dime Book of Practical Etiquette*; 1879 Feds resume specie payments for paper currency; 1937 M-G-M releases crime drama *Torture Money*;

Jan. 3

1926 Treasury Secretary W. Michael Blumenthal born; 1963 Beginning of Dillon-Granahan tenure; 1983 Harry Clements' tenure as BEP Director ends; 2001 SPMC member Doug Walcutt dies;

Jan. 4

1833 NY *American* publishes "The Fallacy of Paper Money"; 1877 Treasury Secretary orders bank note companies to surrender all NBN plates except 5-5-5 black back centers; 1965 NYC dealer Lester Merkin suffers mid-day \$150 Gs armed robbery;

Jan. 5

1655 First colonial engraver of American paper money John Coney born; 1820 Bank of Mobile, AL opens its doors; 1892 Early paper money dealer W. Elliot Woodward dies; 1915 Biograph Company's screen silent *Money* released to public;

Jan. 6

1870 Boston Numismatic Society files for incorporation; 1929 Van Buren Studios releases animated film *Wooden Money*; 1938 Gilroy Roberts leaves Mint, begins work as BEP engraver; 1959 UNESCO introduces unum-denominated "gift coupons";

Jan. 7

1791 City of New Brunswick, NJ issues scrip for 1-, 2-, and 3-pence; 1817 Second Bank of the United States opens for business; 1980 SPMC considers an award in the name of the late Maurice Burgett; 1986 Last delivery of Series 1981A \$10 FRN;

Jan. 8

1788 Treasury Secretary John Spencer born; 1890 San Francisco paper money issuer Joshua Abraham "Emperor" Norton dies; 1931 First delivery of Series 1928A \$5 USN;

Jan. 9

1790 Treasury Secretary Hamilton advocates assuming the states' debts; 1975 SPMC makes ANA Library complimentary recipient of *Paper Money*; 1984 Gene Hessler accepts SPMC Larry Adams' offer as Editor of *Paper Money*;

Jan. 10

1883 Treasury Secretary Lot Morrill dies; 1935 Lee Hewitt's *Numismatic Scrapbook* debuts; 1983 Dover Litho takes over printing of *Paper Money*; 1997 Currency Auctions of America sells Milton R. Friedberg Collection of U.S. Fractional Currency;

Jan. 11

1760 Treasury Secretary Oliver Wolcott Jr. born; 1776 Continental Congress makes Continental Currency legal tender; 1934 Last delivery of Series 1929 \$5 FRBNs;

Jan. 12

1929 Paul Lange sells Harry Yawger Collection Part 2; 1987 SPMC Secretary Bob Cochran proposes to Board members membership contest with prizes;

Jan. 13

1842 Senator Benton decries bankers as "red dogs" and banks as "Cairo swindling shops"; 1950 First delivery 1934D \$20 FRNs; 1964 Series 591 MPC withdrawn;

Jan. 14

1772 Ohio Governor Duncan McArthur, who appears on obsoletes, born; 1861 Treasury Secretary Philip Thomas resigns in sympathy to Southern cause; 1988 First to use a hologram, Australia \$10 Bicentennial of British Settlement note, bears this date;

Jan. 15

1741 Massachusetts Colonial Currency (FR MA88-94); 1847 John Vanderlyn's *Landing of Columbus* appearing on First Charter \$5 NBN backs (FR 394-408a) purchased; 1906 Dealer J. Walter Scott joins American Numismatic Society;

Jan. 16

1817 Treasury Secretary Alexander J. Dallas dies; 1833 Banknote engraver James David Smillie born; 1862 CSA Treasury Secretary Memminger signs Fraser, Trenholm & Co. as European representative; 1890 Chief BEP engraver Thomas F. Morris II born;

Jan. 17

1800 Millard Fillmore, who appears on obsolete banknotes, born; 1826 Encased stamp issuer Chicago hotel proprietor John B. Drake born; 1967 Chris Mackel and Earl Rogers launch Civil War Token Society; 1993 End of Brady-Villalpando tenure;

Jan. 18

1862 President John Tyler, who appears on Virginia notes, dies; 1864 MG Benjamin Butler secretly corresponds with Miss Van Lieu in Richmond about passing CSA currency; 1985 Gary Lewis accepts job as interim SPMC Secretary;

Jan. 19

1838 Tennessee establishes 3rd Bank of Tennessee at Nashville; 1938 Chicago Coin Club incorporates; 1991 Ted DiBiase takes role of the *Million Dollar Man* on TV;

Jan. 20

1832 Missouri Senator Thomas Hart Benton addresses Congress on the currency; 1961 End of Humphrey-Priest tenure; 1964 Ian Fleming's *Goldfinger* begins filming; 2002 University of Notre Dame Museum of Art displays "Portraits of Money" exhibit;

Jan. 21

1861 Jefferson Davis, who appears on CSA 50¢/\$50s, resigns U.S. Senate seat; 1878 U.S. Supreme Court decides U.S. v. State National Bank of Boston government owes refund of money wrongfully paid in;

Do you like trivia? Do you know an important paper money date from history not listed in this column in the past? Send it to the author with documentation, or send the Editor your birthdate for inclusion in a future installment of this column.

Jan. 22

1901 Numismatic subject Queen Victoria of England dies; 1929 Beginning of Jones-Woods tenure; 1981 Beginning of Regan-Buchanan tenure;

Jan. 23

1836 Encased stamp issuer Arthur M. Claflin born; 1861 Dealer Alexander Parker Wylie born; 1869 Name of New York Stock & Exchange Board shortened to New York Stock Exchange; 1949 SPMC member Gary Lybeck born;

Jan. 24

1716 New Jersey Colonial Currency (FR NJ12-16); 1786 Treasury Secretary Walter Forward born; 1934 SPMC member Richard L. Horst born;

Jan. 25

1913 Howland Wood becomes ANS Curator; 1922 Beginning of Speelman-White combined tenure as Register and Treasurer;

Jan. 26

1837 First ordinary meeting of Numismatic Society of London, England; 1866 Louisiana Governor André B. Roman, who appears on famous \$10 DIX note, dies; 1923 Engraver Homer Lee dies; 2004 Paper money illustrator Tim Prusmack dies;

Jan. 27

1938 First delivery of Series 1934A \$5 SC; 1960 James Garner takes to silver screen as Cash McCall;

Jan. 28

1834 Indiana Legislature charters State Bank of Indiana; 1868 Encased stamp issuer J.C. Ayer patents a hair dye; 1916 Edward Newell becomes ANS President; 1921 Roscoe Fatty Arbuckle stars in comedy *Brewster's Millions*;

Jan. 29

1842 Republic of Texas OKs \$150,000, 12 1/2 cents & up; 1861 Treasury Secretary John Dix telegraphs immortal words "shoot him on the spot"; 1862 Treasury Secretary Salmon P. Chase withdraws opposition to legal tender as a military necessity;

Jan. 30

1828 Treasury Secretary Rush reports to Congress on Continental Currency issued during the War; 1961 Beginning of Dillon-Smith combined tenure as Treasury Secretary and Treasurer; 1982 Paper money collector and author Loyd B. Gettys dies;

Jan. 31

1796 Engraver Nathaniel Jocelyn born; 1877 Hjalmar H.G. Schacht, who curbed post-WWI German inflation, born; 1877 Money/banking author Arthur Nussbaum born; 1913 Treasury Secretary MacVeagh approves Washington \$1 SC design;



been generally not discussed in most Confederate catalogs, price lists, and guides through the present. Condition is best described as a statement of eye appeal that complements the technical description of grade. Collectors definitely favor choice notes over average and shun problem or "scudzy" notes unless very rare. The difference between a Choice VF and a problem VF note can be up to 90% of the value of the choice example. So it is important.

Building on grading knowledge, collectors desire to acquire the finest known examples available within their respective budgets. However, there was no information to guide collectors in this area. Dr. Ball left a great deal of information in his NASCA and Smythe catalogs as well as additional information in his library which enabled me to put together a solid first attempt at a condition census for the rare varieties.

Additionally, information gathered by several noted collectors gave me a pretty good idea of what the top ten condition census notes of each type looked like. With this information in hand, I was able to build a first pass on the condition census of Confederate paper money which is a base for further refinement and improvement. The beauty of this work is that these rare varieties are now independently graded and documented enabling the would-be purchaser to make informed purchases with relative safety as far as grading concerns go.

Also, collectors now can make informed decisions on whether to pass or play on a given type note under consideration with the condition census and updated pricing to be provided by this new guide.

Dr. Ball and Philip Chase did a great deal of research into the plate or stone layouts used to print these Confederate notes. This information provides useful insight into why certain notes appear the way they do, rarity, and other interesting technical tidbits for those so inclined. I include a great deal of this in the "Discussion" sections of the book I am working on for

each type and variety where appropriate.

Dr. Ball also did a great deal of research into the rarity of the varieties as both a collector and dealer. He and numerous others have contributed to produce a more accurate picture of the rarity of these varieties and types than we've previously been privy to in earlier works.

In addition, the new book includes other information and guidance. Rare varieties (RV) and plate states (PS) are clearly identified. Varieties that are so rare as to deserve a separate category are indicated as such with "NC" which is "Non-Collectible". Non-Collectible varieties are the true "big guns" of the Confederate paper money series with fewer than three examples known in collectors' hands. These "NCs" represent the most challenging CSA notes to find. There is guidance on alternative collections to the basic type set such as the "Great Rarities" collection which includes some 35 challenging to find and historically significant Confederate varieties sought after by noted collectors since the 1880s. An old numismatic game (Whist) is presented for consideration.

Exhibit A illustrates a typical type listing and Exhibit B a typical rare variety listing. It is my intent to include useful information for all collectors of this historic material in my work. . .from beginners to the most advanced.

Updated status on the new work

A draft of this book recently underwent an "ease-of-use test" by a group of beginner to advanced collectors and dealers during Fall 2004. Feedback is being incorporated and a thorough editing will be done. R. M. Smythe will be the book's publisher, and coordinator of the production and distribution of the book. We expect this to be available to the general public for purchase by the Memphis paper money show. It will be a fun year for we Confederate currency collectors!

**Exhibit A – Type 17 – \$20 dated September 2nd, 1861
Hoyer & Ludwig, Richmond, Va. 43,732 issued.**



Figure 17-1. Liberty to the left. Ceres seated between Commerce and Navigation in the center. Issued from September 14, 1861 through November 5, 1861.

On This Date in Paper Money History -- Feb. 2005

By Fred Reed ©

Feb. 1

1869 New York Stock Exchange requires registering of securities to prevent over-issuance; 1920 End of Glass-Burke combined tenure; 1941 Treasury Secretary William Gibbs McAdoo dies; 1972 Paul Newman-Lee Marvin western comedy *Pocket Money* debuts; 2003 Sandra Pianalto takes office as Fed Bank of Cleveland President;

Feb. 2

1741 Rhode Island Colonial Currency (FR RI 43-46); 1861 Alabama Assembly legalizes suspension of specie payments by state banks; 1966 Glenn Ford-Elke Summer picture *The Money Trap* released;

Feb. 3

1468 Printer Johannes Gutenberg, who appears on NY obsoletes, dies; 1924 President Woodrow Wilson (FR 2413), dies; 1971 David Hakes article on SPMC in *Coin World* nets 120 new members; 2003 Beginning of Snow-Marlin combined tenure;

Feb. 4

1841 Collector-publisher A.M. Smith born; 1920 Chicago Coin Club *Bulletin* debuts; 1946 Last delivery 1934A \$20 FRNs; 1986 Robert T. Parry becomes President Fed Bank of SF; 1976 "Numis-mysteries" by Fred L. Reed III commences in *Coin World*;

Feb. 5

1864 Henry Groh joins American Numismatic & Archaeological Society; 1881 Scots historian/essayist Thomas Carlyle, who expounded Protestant work ethic, dies;

Feb. 6

1756 Bank of the Manhattan Company founder and U.S. Veep Aaron Burr born; 1860 Ohio Governor Gustavus Swan, who appears on state notes, dies; 1864 CSA Congress prohibits dealing in U.S. currency with certain exceptions;

Feb. 7

1833 Florida Territorial Legislative Council charters Commercial Bank of Florida, Apalachicola over governor's veto; 1979 Smithsonian Institution unveils highlights from the Chase Manhattan Bank Collection; 1991 Women in Numismatics founded;

Feb. 8

1788 NY Colonial Currency (FR NY229-236); 1971 Beginning of Connally-Kabis combined tenure as Treasury Secretary and Treasurer;

Feb. 9

1769 Treasury Secretary George W. Campbell born; 1819 Worthington, OH taverner Ezra Griswold issues third series of scrip; 1866 Louisiana authorizes issue of post-war state treasury notes; 1924 ANA's first annual "National Coin Week" (Feb. 9-16) coincides with the organization's "Lincoln Issue" of *The Numismatist*;

Feb. 10

1808 First bank authorized in Ohio, Bank of Marietta incorporates; 1863 Senator John Sherman addresses Congress on the necessity of a uniform national currency; 1911 William H. Woodwin Collection sale; 1914 Mexican state of Chihuahua decrees revolutionary currency depicting Madero and Gonzales;

Feb. 11

1818 Maryland General Assembly passes act to tax all banks not chartered by the legislature; 1921 Treasury Secretary Lloyd Bentsen born; 1969 BEP Director Alvin Hall dies; 1971 John B. Connally takes office as Treasury Secretary; 1987 Abraham Lincoln on currency series appears on page 1 of *Coin World*;

Feb. 12

1912 Dealer David Bullowa born; 1932 End of Mellon-Woods combined tenure as Treasury Secretary and Treasurer; 1964 Production of Series 1963 \$2 U.S. Notes with motto "In God We Trust" begins;

Feb. 13

1861 Alexander B. Clitherall becomes CSA Register; 1864 Missouri provides for destruction of Union Military Bonds; 1905 Author William Cowper Prime dies; 1990 ANS hires John M. Kleeburg as asst. curator of Modern Coins and Currency;

Feb. 14

1707 South Carolina Colonial Currency (FR SC9); 1818 On becoming a state Mississippi renames its only chartered bank Bank of the State of Mississippi; 1865 First

National Bank chartered in Mississippi (NB of Vicksburg #803); 1923 President Harding restores 17 of the 29 BEP employees he'd sacked two weeks earlier;

Feb. 15

1947 Boston Federal Reserve Bank President Cathy E. Minehan born; 1974 End of Shultz-Banuelos combined tenure as Treasury Secretary and Treasurer; 1978 ANA holds first mid-year convention at Colorado Springs' Broadmoor Hotel;

Feb. 16

1756 NY Colonial Currency (FR NY146); 1855 W. H. Powell's *DeSoto Discovering the Mississippi* appearing on 1st Charter \$10 NBN backs (FR 409-423a) purchased; 1973 Independent Arbitrage International issues bearer notes denominated in "constants"; 1990 BEP accepts Western Currency Printing Facility from city of Fort Worth;

Feb. 17

1776 Continental Congress appoints standing Board of Treasury to oversee finances; 1781 Continental Congress replaces Board of Treasury with Superintendent of Finance; 1864 CSA authorizes new issue of treasury notes at rate of two dollars new to \$3 old funded; 1999 SPMC member Raphael Ellenbogen dies;

Feb. 18

1774 U.S. Treasurer William Clark born; 1840 Mississippi prohibits private issues of scrip; 1861 Early Ohio Indian agent and banker John Johnston dies; 1862 Confederate Provisional Government ceases; 1941 Stephen Pell becomes ANS President;

Feb. 19

1832 ANA President Joseph Hooper born; 1869 Act provides for appointment of assistant treasurer of the U.S. at Boise City; 1926 Numismatic scholar Albert Romer Frey dies; 1963 First delivery of Series 1950D \$10 FRN; 1996 Canada introduces its bi-metallic \$2 Polar Bear coin to replace its \$2 note; 2004 Collector's Universe sells Bowers & Merena Galleries to Greg Manning Auctions;

Feb. 20

1718 SC Colonial Currency (FR SC21); 1790 Corporation of NYC issues municipal scrip in penny denominations; 1865 Missouri OKs \$2 million in Union Military Bonds; 1893 CSA general P.G.T. Beauregard, who appears on a Louisiana note, dies; 1915 Farran Zerbe opens "Moneys of the World" exhibit at the Panama-Pacific Exposition;

Feb. 21

1876 Henry Jewell becomes BEP Director; 1950 Dealer Abe Kosoff initiates process that culminates in founding of Professional Numismatists Guild; 1951 First delivery of Series 1950 \$20 FRN;

Feb. 22

1850 Cornerstone for Crawford's equestrian statue of Washington, which appears on CSA 1864 \$500s, laid; 1915 El Estado Libre y Soberano de Sinaloa issues revolutionary currency depicting Francisco Madero; 1988 SPMC member A.P. "Del" Betschy dies;

Feb. 23

1816 Ohio General Banking Law enacted; 1855 Wells, Fargo & Co.'s San Francisco banking operations close doors for two days but survive stock market crash and Panic of 1855; 1864 FNBs chartered in Maryland (FNB Baltimore #204) and Virginia (FNB Norfolk #271); 2003 "Wonderful World of Money" opens at Bowdoin College Library;

Feb. 24

1809 NY Congressman and "inventor of the greenbacks" Elbridge Gerry Spaulding born; 1815 Congress authorizes treasury notes of less value than \$100 transferrable as currency; 1913 Numismatic scholar William T.R. Marvin dies;

Feb. 25

1813 Congress authorizes interest-bearing \$100 treasury notes; 1859 U.S. Treasurer John Burke born; 1873 John W. Haseltine holds numismatic auction in Philadelphia; 1985 Last delivery of Series 1981 \$50 FRN;

Feb. 26

1777 "Baltimore" Continental Currency (FR CC55-62) bears this printed date; 1884 Isaac F. Wood Collection sale begins; 1903 U.S. Treasurer Conrad N. Jordan dies; 1963 First delivery Series 1953C \$5 USN; 2002 Thriller *Hard Cash* premieres on TV;

Feb. 27

1860 Brady's beardless photo of Lincoln, which appears on obsoletes, taken; 1933 Lewisburg Grain Elevators issues depression scrip; 1944 OPA introduces blue (processed foods) and red (meats, fats, fish, cheese) ration tokens;

Feb. 28

1746 Delaware Colonial Currency (FR DE23-30); 1860 William C. Price becomes U.S. Treasurer; 1861 CSA Congress authorizes \$15 million loan; 1935 German film *The Counterfeit Bill* debuts; 1985 *Coin World* Editor Margo Russell retires;

HERITAGE
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This is the first note of the Third Series to be printed since Hoyer and Ludwig were already working for the Confederacy on the Second Series. The three females in the center represent *Ceres*, the Goddess of Agriculture; seated between *Commerce* and *Navigation*. At left is a figure representing *Liberty* with a pole and a cap. This is a common representation of Liberty on American numismatic items going back to the Liberty Cap large and half cents of 1794. The note has a green overprint. This note is receivable in payment of all dues and fundable in 8% stock.

This was a short lived Hoyer & Ludwig issue replaced by the much more common T-18. This type is the only issue of the Third Series to have "for" written in since one of the plates had it missing erroneously. This is a rare variety. Three extremely rare varieties are found in T-17: PF-2 (erroneously watermarked TEN); PF-3 (overprint in blue); and PF-5 (no "for"s either written or printed).

This type is rare with a good cut since it is almost always found cut into the margin, many times quite badly. There are a number of Uncirculated examples around, and it is available in high circulated grades with patience. Usually found in VG to Fine.

Type Condition Census Top 10 Range: All Unc. to Choice Unc.

Values: Unc=\$3,500; VF=\$1,500; VG=\$700 (problem free, unrepaired)



Figure 17-2. Printed "for" before "Register" and "Treas'r". PF-1, 2, 3.



Figure 17-3. Written "for" before "Register" and "Treas'r". PF-4.

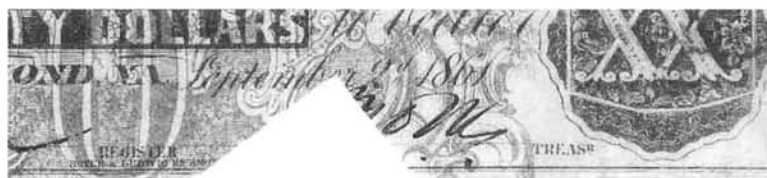


Figure 17-4. No "for" before "Register" and "Treas'r". PF-5.

PF-1. CR-99 R2	A. 40,000 issued	Printed "for" before "Register" and "Treas'r"
PF-2. CR-99A R7 RV	A. 90 issued	Same as #1; on paper watermarked "TEN" in error
PF-3. CR-99B R8 NC	A. very few	Same as #1; overprint is lighter blue for the postage stamp issue; erroneously applied to a few T-17 notes
PF-4. CR-100 R5 RV	A. 3,600 issued	"for" written by "Register" and "Treas'r"
PF-5. Unlisted R8+ NC	A. Unknown	No "for" written or printed.
	much fewer than 3,600	

Exhibit B – T-17 – PF-2 – Rare Variety (CR-99A)



"For" before "Treas'r" printed. TEN watermark error.

This is the basic T-17 with the "for" printed. However, it is erroneously printed on TEN watermarked paper. The TEN watermarks are usually near the center and faint. This example has the watermark upside down.

Rarity 7. Extremely Rare.

Condition Census.

1. 19361 A – F: ex Affleck 1982, Ball 1987, Cowan 1998, Mintz 2003. Fricke collection.
2. 15680 A – F – COC: ex Criswell 1982, Ball 1987. Museum of the Confederacy.
3. 16550 A – F-COC

Discussion.

This is one of the great error rarity classics of CSA currency. There are fewer than ten known with at least half cut-out-cancelled and most of the rest cut-cancelled.

The TEN watermarked paper was earmarked for the T-24 notes and all were supposed to be shipped to Leggett, Keatinge & Ball. However, some, obviously, were mistakenly mixed into a paper shipment to Hoyer & Ludwig. ❖

Official Notice:

Nominations Open for SPMC Board

THE FOLLOWING SPMC GOVERNORS' TERMS EXPIRE IN 2005:

Bob Cochran
Arri Jacob

Gene Hessler
Tom Minerley

If you have suggestions for candidates, or if the governors named above wish to run for another term, please notify Nominating Chairman Tom Minerley, 3457 Galway Rd., Ballston Spa, NY 12020. Our election last year was the most hotly contested in recent history.

In addition, candidates may be placed on the ballot in the following manner: (1) A written nominating petition, signed by 10 current members, is submitted; and (2) An acceptance letter from the person being nominated is submitted with the petition. Nominating petitions (and accompanying letters) must be received by the Nominations Chairman by March 15, 2005.

Biographies of the nominees and ballots (if necessary) for the election will be included in the May/June 2005 issue of *Paper Money*. The ballots will be counted at Memphis and announced at the SPMC general meeting held during the International Paper Money Show.

Any nominee, but especially first-time nominees, should send a portrait and brief biography to the Editor for publication in *Paper Money*. ❖

The President's Column

By Ron Horstman

YOUR BOARD OF GOVERNORS MET AT THE Professional Currency Dealers Show in St. Louis in November and approved a revised program of awards that will be given this year. This program will be spelled out in a future issue of *Paper Money* magazine. Past-President Bob Cochran presented a very interesting program on early Huntsville, Alabama notes.

The show was quite active with many attendees departing with new acquisitions from both the bourse and Lyn Knight auction. Lyn will be holding an auction in conjunction with the Chicago Paper Money Exposition in March. Included in the new year's activities will be a sale by Currency Auctions of America in January and the second sale of the Schingoethe collection by R.M. Smythe in New York.

Members can look forward to new full color covers on the magazine for 2005 thanks to Heritage/CAA and our editor, Fred Reed, as well as the continuation of expanded issues. The Editor has a supply of long articles for future issues, but could use a few short (1 page) pieces to fill in the gaps. Can you help?

The Society is on firm ground for 2005, but as with any organization, is in need of new members. Satisfied members are the best advertisement that we can find.

Best wishes to all in the new year. ❖

Ron

Authors seek new notes, data

SPMC MEMBERS DENNIS SCHAFLUETZEL AND Tom Carson are presently compiling a Tennessee scrip reference and seeking assistance of other Society members.

These efforts are based on photocopies of Charlie Sedman's collection of Tennessee merchant scrip that contained 279 notes, the bulk of which reside in the Schingoethe collection. "We talked with Charlie and he agreed to let us use the copies as a starting point for publishing a reference on Tennessee merchant scrip," Schafluetzel said.

The authors built a draft reference of Tennessee merchant scrip issued prior to about 1900 in web site / Adobe Acrobat format to keep the publication cost at a minimum and allow continuous updating. "Our initial draft contains 400+ scrip images organized by 98 city locations. Historical information has been included," he added. Collectors, dealers and auction companies have contributed 160+ color images to replace the Xerox copies or add new material to the reference.

"The partly completed reference is on Bob Schreiner's web site <http://www.OldNote.org/TennesseeScrip/>. The first page of the web site includes the background, scope and a list of contributors. Select the link to Tennessee Scrip (PDF file, searchable). After you select it enter the password SPMC6000 to begin reviewing the site." Contributions can be sent to Dennis Schafluetzel, 1900 Red Fox Lane, Hixson, TN 37343 or email dennis@schafuetzel.org or Tom Carson, 5712 North Morgan Lane, Chattanooga, TN 37415 or email htcarson@comcast.net. ❖

\$ money mart

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Word count: Name and address count as five words. All other words and abbreviations, figure combinations and initials count as separate words. No check copies. 10% discount for four or more insertions of the same copy.

Authors are also offered a free three-line classified ad in recognition of their contribution to the Society. These ads are denoted by (A) and are run on a space available basis. **Special: Three line ad for six issues = only \$20.50! (wow)**

WANTED SMALL SILVER CERTIFICATES. \$1.00 1928D and 1928E; \$10 1934A, 1934B and 1934D; 1953A and 1953B. George W. Taylor, PO Box 242, Georgetown, TX 78627-0242 (238)

EUREKA SPRINGS, ARKANSAS Banknote wanted. Also any related contemporary banking material. Martin Roenigk, 75 Prospect Ave., Eureka Springs, AR 72632. (479) 253-0405. mroenigk@aol.com (239)

WANTED. National Bank Note from The Manilla National Bank (#6041), Manilla, Iowa, any denomination or condition. Lee Poleske, Box 871, Seward, AK 99664 (236)

WANTED. National Bank Note from The Manilla National Bank (#6041), Manilla, Iowa, any denomination or condition. Lee Poleske, Box 871, Seward, AK 99664 (236)

KANSAS NATIONALS WANTED. Goodland #14163, Olathe #3720, Pleasanton #8803. A.R. Sundell, Box 1192, Olathe, KS 66051 (236)

WANTED. \$50 denomination, Bank of the Old Dominion, Branch Bank at Pearisburg, VA (Jones-Littlefield BA30- or -27; Haxby G18a or 18b) and Pearisburg, VA, Lybrook scrip (Jones-Littlefield PP1706 and 1707). J. Tracy Walker III, 2865 Mt. Aire Rock Ln., Charlottesville, VA 22901 (235)

MARYLAND OBSOLETE BANKNOTES WANTED. Charles Sullivan, PO Box 8442, Gaithersburg, MD 20898 or e-mail Charlessul@aol.com or phone 888-246-8040 (234)

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LINCOLN BANKS. Collector desires notes, photos, postcards, checks, memorabilia, metal coin banks, banking histories, publications, or what have you? from Lincoln National Banks or Lincoln State Banks, etc., or other corporations named for Abraham Lincoln. Please contact Fred Reed at P.O. Box 118162, Carrollton, TX 75051-8162 or freed3@airmail.net for immediate purchase (234)

WANTED. Canadian Chartered Bank Notes. Wendell Wolka, PO Box 1211, Greenwood, Indiana 46142 (234)

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WAREHOUSE FIND. Civil War Encased Stamps: the Issuers and Their Times (O/P 1995) by Fred Reed, 560 pages, autographed, \$66 post-paid & insured. P.O. Box 118162, Carrollton, TX 75011-8162 (239)

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10850 **Richard L. Biemer**, 10363 Stat Hwy 18, Conneaut Lake, PA 16316 (C, Obsoletes), Judith Murphy
10851 **Ken Ferguson** (C & D), Judith Murphy
10852 **Gene C. Eisenberger** (C), Wendell Wolka
10853 **David Magaro** (C), Wendell Wolka
10854 **Angela Schueneman**, 2901 Glendale Dr, Wylie, TX 75098 (C, US Small), Bryn Korn
10855 **Jack Levi**, 5227 Meadow Beauty Ct, Gahanna, OH 43230 (C & D), Harry Jones
10856 **Ralph E. Nelson**, PO Box 14777, Bradenton, FL 34280 (D), Tom Denly
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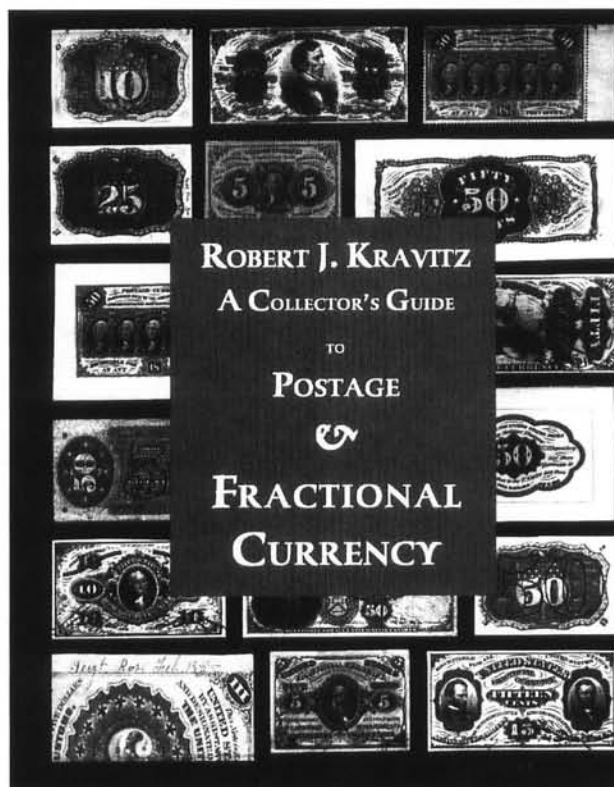
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This is only a sampling of notes.
Please call for any FR#s you might need.

Thank you,

ROB

Using the Web to Document a State's Paper Money

BY THE TIME YOU READ THIS, DENNIS Schafleutzel's and Tom Carson's new web effort *Tennessee Merchant Scrip* (tennesseescrip.oldnote.org, a temporary address) should be live for your viewing. The authors' goal is to compile an exhaustive catalog of Tennessee scrip. It would complement Paul Garland's *The History of Early Tennessee Banks and Their Issues*. The web has extensive material, but they are not presenting you with a final product. The authors are asking your help in identifying notes that they have not found. It's easy: Check out their web and see if you know of other material. If so, contact one of the authors and submit the information. Instructions on the web will tell you how to do this electronically or by more traditional means.

After a period of such data gathering, the authors will issue a CD similar to their ground-breaking *Chattanooga Money* released last year. Data collection will never really stop, and the web and CD will be updated easily and inexpensively with discovery notes.

Another excellent web with similar purpose is *Georgia Obsolete Currency*, by Carl A. Anderson & David Marsh

SPMC Librarian's Notes

By Bob Schreiner, Librarian

(www.davidmarsh.com). This is the first extensive web of obsolete paper money of one state to my knowledge. If you know of others, please e-mail me so I can mention them in this column.

The Tennessee and Georgia webs approach the organization and presentation of information a little differently. See which you prefer. Browse each site--both sets of authors have done an outstanding job accumulating and researching the information. Even experienced specialists in these states are likely to find much new material.

Web and CD media present opportunities for inexpensive publication of material that is subject to frequent revision and expansion that the traditional paper book cannot provide. Innovative collectors interested in not only obsolete paper money but many other areas of widely-dispersed collectables will increasingly adopt this approach.

Thanks to Loren Gatch for donating a copy of the summer 2004 issue of *The Chronicles of Oklahoma*. This is the journal of the Oklahoma Historical Society, and this issue has Gatch's "This is Not United States Currency: Oklahoma's Emergency Scrip Issues during the Banking Crisis of 1933." This is a 32-page in-depth scholarly article on the subject. We have also acquired Martin Gengerke's *United States Paper Money Records*, 2001 edition, Wendell Wolka's *A History of Nineteenth Century Ohio Obsolete Bank Notes and Scrip*, and Austin Sheheen's *South Carolina Obsolete Notes and Scrip*. All are available to SPMC members for the cost of two-way shipping.

Look for Fred Reed's *Show Me the Money! The Standard Catalog of Motion Picture, Television, Stage and Advertising Prop Money*, to be published soon by McFarland (www.mcfarlandpub.com). Have you published something about paper money? Let me know so I can mention it here.

The library catalog is on the SPMC web, spmc.org. I welcome your thoughts on library, web, and related areas. I can be reached at POB 2331, Chapel Hill, NC 27515-2331, or email to rcschreiner@mindspring.com.

The Editor's Notebook

Fred L. Reed III



fred@spmc.org

Shades of the Blue and the Grey

THE U.S. CIVIL WAR IS PROBABLY THE MOST well examined and dissected four-year period in the history of mankind. More books have been written about it than any like epoch. In addition to the many books, hundreds of times as many articles have been written.

So to write something original or new requires hard work and/or good luck. Hard work is evidenced by our authors in this issue of *Paper Money*. I'm sure you'll agree.

As many of you are aware, veteran SPMC member Dave Harper, Editor of *Bank Note Reporter*, named yours truly that publication's Confederate Currency columnist. In late 2003 when Dave suggested to me that I take up the mantle of "Confederate Columnist" for BNR it was not without serendipity. I was about to celebrate my 50th year as a Confederate note collector, and my 40th year writing on that and allied subjects. The column's title, "Shades of the Blue and the Grey," traces directly back to a series of articles I published in the *Journal of the Civil War Philatelic Society* in 1964-1965, one of which had been reprinted in the *Linn's Weekly Stamp News* issue of April 26, 1965.

But I am also a realist, and not being primarily known as a Confederate note collector (although I did write a Civil War encased stamp book and am working on an Abraham Lincoln book), I did have trepidations of another sort. "Are you sure you want me to follow in the footsteps of my fellow SPMC members Grover Criswell, Walter Breen, Doug Ball, Arlie Slabaugh, and Brent Hughes, all of whom have written so well about Confederate and Southern States 'stuff' for this publication?" I asked Editor Harper. I felt like Bobby Murcer being asked to "fill in" for Mickey Mantle and Joe DiMaggio as the Yankees' centerfielder, called to a fool's errand.

After considerable additional discussion, and Dave's encouragement that I could occasionally stray into related Civil War era subjects, we agreed to take the plunge, so the column debuted in *BNR* this past October. So if the Civil War/Confederacy is your focus, I invite you to read this material. Presently we are discussing the history of CSA note collecting. I hope through the column to also focus attention on SPMC, and I commend other writers in "outside" publications to do the same. After all, BOTH *Paper Money* and these other publications offer distinctives that our readers can enjoy in tandem.

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- Application for membership: Frank Clark or frank_clark@spmc.org
- Status of membership, address change, non-receipt of magazine, or about the library or the SPMC web site: Bob Schreiner or bobs@spmc.org
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Attn: Len Glazer and Allen Mincho

Dear Len and Allen,

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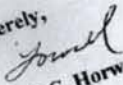
Anne and I want to thank you for the professional handling of the auction of our California national currency collection. We could not be more proud of it especially based on the truly wonderful catalog you produced. The response and comments we have received (and are still receiving) make us very proud. No way could have this occurred without the compilation you produced along with the provenance, history, photographs, etc.

Our thanks also to Bob Merrill and Ron Guth whose prowess in auctioning along with their personal comments made it truly a pleasant event to attend and made the parting with the collection more palatable.

It wasn't easy to see forty-five years of enjoying the history and the hunt go away although we were certainly pleased to see many friends and colleagues be able to participate in the ownership of this important part of California history.

Last but not least we were very pleased with the monetary results of the auction.

Sincerely,


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Cc: Steve Ivy



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